



## STANDARD AGREEMENT

(Version 9-22-2023)

This AGREEMENT (“Agreement”) is entered by and between **Bay Oil Company** (“Contractor”), located at **P.O. BOX 1367, Dickinson, TX 77539** and the **City of League City** (“City”), a home-rule municipality, located at 300 W. Walker St., League City, Texas 77573 on the date set forth below.

### **Terms:**

1. **Scope of Services:** Contractor will perform the services and/or provide the products as set forth in **Exhibit A**, which is attached and incorporated herein, and which can be generally described as **City-Wide Fuel and Petroleum Products**. If there is a conflict between the terms of this Agreement and Exhibit A, the terms of this Agreement will prevail.
2. **Term and Termination:** This Agreement shall commence on **December 1, 2024** and shall expire on **November 30, 2025**. The period from commencement to expiration is the Contract Term. City reserves the right to terminate this Agreement for convenience upon seven (7) days written notice to Contractor. Upon such termination, City shall pay Contractor, at the rate set out in **Exhibit A**, for services satisfactorily performed or products satisfactorily provided up through the date of termination. Notwithstanding any provision in this Agreement to the contrary, City will not be required to pay or reimburse Contractor for any services performed or for expenses incurred by Contractor after the date of the termination notice that could have been avoided or mitigated by Contractor.
3. **Compensation:** Contractor shall be paid for the services/products as set forth in **Exhibit A**. In no event shall the total compensation exceed **\$1,230,000.00** during the term of this Agreement. City shall tender payment (including progress/partial payments) for services/goods only after such services are completed or goods are delivered and are deemed to be acceptable under this Agreement, in the sole reasonable discretion of City. Contractor must submit to City invoices for all goods delivered and services provided, which invoices must include details and dates of service or delivery. Payment by City shall be made within thirty (30) days of receipt of an invoice, except for any portion of the invoiced amount that City disapproves as not compliant under this Agreement, in the sole reasonable discretion of City. If City disapproves any amount submitted for payment by Contractor, City shall give Contractor specific reasons for disapproval in writing.
4. **Insurance:** Contractor is **not** required during the Contract Term to maintain insurance as follows: (a) Comprehensive General Commercial Liability insurance covering bodily injury and property damage, with minimum coverage limits—exclusive of defense costs—of \$1,000,000 per occurrence and \$2,000,000 aggregate; (b) If Contractor will provide City “professional services,” as that term is used in Chapter 252 of the Texas Local Government Code, Professional Liability (errors and omissions/malpractice) insurance with minimum coverage limits—exclusive of defense costs—of \$2,000,000 per occurrence; and (c) If at any point during the Contract Term it is foreseeable that Contractor will enter upon City premises: (i) Worker’s Compensation coverage with statutory limits for the State of Texas, and (ii) Commercial Automobile Liability coverage with minimum coverage limits—exclusive of defense costs—of \$1,000,000 per occurrence and \$2,000,000 aggregate. All policies must contain a waiver of subrogation against City.

Comprehensive General Liability and Commercial Automobile Liability policies must name the City as Additional Insured. Contractor shall pay all insurance deductibles and deductibles must not exceed \$10,000 unless approved in advance by City. Contractor shall provide City Certificates of Insurance evidencing these insurance requirements prior to the start of work.

5. **Liquidated Damages:** Liquidated damages **are not** applicable to this transaction. Contractor acknowledges that time is of the essence in performing this Agreement. City and Contractor (collectively, the "Parties") agree that if Contractor is late in performing any obligation of this Agreement, City will suffer loss, damages, or other harm from Contractor's delay. The Parties agree that the amount of loss, damages, or harm likely to be incurred is incapable or difficult to precisely estimate, and therefore Contractor agrees to pay City liquidated damages for delay at a daily rate equal to the total compensation allowed under the Agreement divided by the number of days in the Contract Term. The Parties further agree that: (i) the liquidated damages specified herein are not a penalty but rather bear a reasonable relationship to, and is not plainly or grossly disproportionate to, the probable loss likely to be incurred by City as a result of Contractor's delay; (ii) one of the reasons for City and Contractor to agree to such amounts is the uncertainty and cost of litigation regarding the question of actual damages; and (iii) City and Contractor are sophisticated business parties and negotiated this Agreement at arm's length.
6. **Independent Contractor:** Contractor is an independent contractor and is not an employee, partner, joint venture, or agent of City. Contractor understands and agrees that he/she will not be entitled to any benefits generally available to City employees. Contractor shall be responsible for all expenses necessary to carry out the services under this Agreement and shall not be reimbursed by City for such expenses except as otherwise provided in this Agreement.
7. **Intellectual Property:** This Agreement shall be an Agreement for services and the parties intend and consider any work created as a result of this Agreement, including any and all documentation, images, products or results, to be a work (the "Work") for hire under federal copyright law. Ownership of the Work shall belong to and remain the exclusive property of City. The Work may be edited at any time within City's discretion. If the Work would not be considered a work-for-hire under applicable law, Contractor hereby assigns, transfers, and conveys any and all rights, title and interest to City, including without limitation all copyrights, patents, rights of reproduction, rights to ownership, and right to secure registrations, renewals, reissues and extensions thereof. As the sole copyright holder of the Work, City maintains and asserts the rights to use, reproduce, make derivative works from, and/or edit the Work in any form of medium, expression or technology now known or hereafter developed, at any time within City's discretion. Contractor shall not sell, disclose or obtain any other compensation for the services provided herein or the Work. If the Work is one to which the provisions of 17 U.S.C. § 106A apply, Contractor hereby waives and appoints City to assert on Contractor's behalf Contractor's moral rights or any equivalent rights regarding the form or extent of any alteration to the Work (including, without limitation, removal or destruction) or the making of any derivative works based on the Work, including, without limitation, photographs, drawings or other visual reproductions of the work, in any medium, for City's purposes.
8. **Confidentiality:** During the course of the services to be provided under this Agreement, Contractor may become privy to confidential information of City. Contractor agrees to treat as confidential the information or knowledge that becomes known to Contractor during performance of this Agreement and to not use, copy, or disclose such information to any third party unless authorized in writing by City. This provision does not restrict the disclosure of any information that is required to be disclosed under applicable law. Contractor shall promptly notify

City of any misuse or unauthorized disclosure of City's confidential information and upon expiration of this Agreement shall return to City all confidential information in Contractor's possession or control. Contractor shall further comply with all information security policies of City that may apply and shall not make any press releases, public statements or advertisement referring to the services provided under this Agreement or the engagement of Contractor without the prior written approval of City.

9. **Warranties and Representations:** Contractor warrants and agrees that Contractor shall perform its services and conduct all operations in conformity with all applicable federal, state, and local laws, rules, regulations, and ordinances. For any service performed on premises owned or controlled by City, Contractor warrants and agrees that Contractor will perform said services in compliance with all City rules, including but not limited to, prohibitions related to tobacco use, alcohol, and other drugs.
10. **Licenses/Certifications:** Contractor represents and warrants that it will obtain and maintain in effect, and pay the cost of, all licenses, permits or certifications that may be necessary for Contractor's performance of this Agreement. If Contractor is a business entity, Contractor warrants, represents, covenants, and agrees that it is duly organized, validly existing and in good standing under the laws of the state of its formation; and is duly authorized and in good standing to conduct business in the State of Texas, that it has all necessary power and has received all necessary approvals to execute and deliver the Agreement and is authorized to execute this Agreement according to its terms on behalf of Contractor.
11. **Performance/Qualifications:** Contractor agrees and represents that Contractor has the personnel, experience, and knowledge necessary to qualify Contractor for the particular duties to be performed under this Agreement. Contractor warrants that all services performed under this Agreement shall be performed consistent with generally prevailing professional or industry standards.
12. **Conflict of Interest:** Contractor warrants, represents, and agrees that Contractor presently has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with Contractor's performance of the services hereunder. Contractor further warrants and affirms that no relationship or affiliation exists between Contractor and City that could be construed as a conflict of interest with regard to this Agreement.
13. **INDEMNIFICATION: CONTRACTOR SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS CITY , AND EACH OF ITS OFFICIALS, OFFICERS, AGENTS AND EMPLOYEES FROM AND AGAINST ALL CLAIMS, ACTIONS, SUITS, DEMANDS, PROCEEDINGS, COSTS, DAMAGES AND LIABILITIES, INCLUDING WITHOUT LIMITATION ATTORNEYS' FEES AND REASONABLE LITIGATION COSTS, ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM ANY ACTS OR OMISSIONS OF CONTRACTOR OR ANY AGENT, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF CONTRACTOR IN THE EXECUTION OR PERFORMANCE OF THIS CONTRACT, TO THE EXTENT THE CLAIM ARISES FROM NEGLIGENCE, WILLFUL ACT, BREACH OF CONTRACT OR VIOLATION OF LAW.**

14. **Force Majeure:** Neither City nor Contractor shall be liable for any delay in the performance of this Agreement, nor for any other breach, nor for any loss or damage arising solely from uncontrollable forces such as fire, theft, storm, war, or any other force majeure that could not have been reasonably avoided by the exercise of due diligence.
15. **Notices:** Any notice given under this Agreement by either party to the other may be affected either by personal delivery in writing or by mail, registered or certified postage prepaid with return receipt requested. Mailed notices shall be addressed to the addresses of the Parties as they appear in the contract. Notices delivered personally shall be deemed communicated at the time of actual receipt. Mailed notices shall be deemed communicated three (3) days after mailing.
16. **Texas Family Code Child Support Certification:** Pursuant to Section 231.006 of the Texas Family Code, Contractor certifies that it is not ineligible to receive the award of or payments under the Agreement and acknowledges that the Agreement may be terminated, and payment may be withheld if this certification is inaccurate.
17. **State and/or City Auditor:** Contractor understands that acceptance of funds under the Agreement constitutes acceptance of the authority of the Texas State Auditor's Office, or any successor agency or the City's internal auditor (collectively, the "Auditor"), to conduct an audit or investigation in connection with those funds. Contractor agrees to cooperate with the Auditor in the conduct of the audit or investigation, including without limitation providing all records requested. Contractor will include this provision in all contracts with permitted subcontractors.
18. **Jurisdiction:** Any disputes under this Agreement shall be brought in a court of competent jurisdiction in Galveston, Texas and governed by Texas law.
19. **Alternative Dispute Resolution:** To the extent that Chapter 2260, Texas Government Code, is applicable to this Contract and is not preempted by other applicable law, the dispute resolution process provided for in Chapter 2260 and the related rules adopted by the Texas Attorney General Pursuant to Chapter 2260, shall be used by City and Contractor to attempt to resolve any claim for breach of contract made by Contractor that cannot be resolved in the ordinary course of business. The Director of Finance of City shall examine Contractor's claim and any counterclaim and negotiate with Contractor in an effort to resolve such claims. This provision shall not be construed as a waiver by City of its right to seek redress in the courts.
20. **Entire Agreement:** This Agreement contains the entire understanding between the Parties and supersedes all prior agreements, arrangements, and understanding, oral or written between the Parties relating to this Agreement. This Agreement may not be modified except by mutual written agreement of the Parties executed subsequent to this Agreement.
21. **Eligibility to Receive Payment:** Contractor certifies that, as a matter of state law, it is not ineligible to receive the Agreement and payments pursuant to the Agreement and acknowledges that the Agreement may be terminated, and payment withheld if this representation is inaccurate.
22. **Payment of Debt/Delinquency to State:** Contractor certifies that it is not indebted to the City of League City and is current on all taxes owed to the City of League City. Contractor agrees that any payments owing to Contractor under the Agreement may be applied directly toward any debt or delinquency that Contractor owes the City of League City regardless of when it arises, until such debt or delinquency is paid in full.

23. **Products and Materials Produced in Texas:** If Contractor will provide services under the Agreement, Contractor covenants and agrees that in performing its duties and obligations under the Agreement, it will purchase products and materials produced in Texas when such products and materials are available at a price and delivery time comparable to products and materials produced outside of Texas.
24. **Risk of Loss:** If applicable, all work performed by Contractor pursuant to the Agreement will be at Contractor's exclusive risk until final and complete acceptance of the work by City. In the case of any loss or damage to the work prior to City's acceptance, bearing such loss or damage will be Contractor's responsibility.
25. **Publicity:** Contractor shall not use City's name, logo or likeness in any press release, marketing materials or other public announcement without receiving City's prior written approval.
26. **Legal Construction/Severability:** In the event that 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, and this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had never been contained in it. To this end, the provisions of this Agreement are declared to be severable. The Parties may mutually agree to renegotiate the Agreement to cure such illegality/invalidity or unconstitutionality if such may be reasonably accomplished.
27. **Limitations:** The Parties are aware that there are constitutional and statutory limitations on the authority of City to enter into certain terms and conditions of the Agreement, including, but not limited to, those terms and conditions relating to liens on City'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, the "Limitations"). Any terms and conditions related to the Limitations will not be binding on City except to the extent authorized by the laws and Constitution of the State of Texas.
28. **Sovereign Immunity:** The Parties agree that neither the execution of the Agreement by City nor any other conduct, action or inaction of any City representative relating to the Agreement constitutes a waiver of sovereign immunity by City. The Parties also agree that this Agreement constitutes a governmental function and is not a proprietary function.
29. **Authority:** The Parties stipulate that in entering into this Agreement, the City is performing a solely governmental function and not a proprietary function. Contractor warrants and represents that Contractor has full power and authority to enter into and perform this Agreement and to make the grant of rights contained herein. The person signing on behalf of City represents that he/she has authority to sign this Agreement on behalf of City.
30. **Non-Waiver:** The Parties specifically agree that neither the occurrence of an event giving rise to a breach of contract claim nor the pendency of a claim constitute grounds for the suspension of performance by Contractor. No covenant or condition of this Agreement may be waived except by written consent of the waiving party. Forbearance or indulgence by one party in any regard

whatsoever shall not constitute a waiver of the covenant or condition to be performed by the other party.

31. **Prohibitions Pursuant to Texas Government Code:** By executing this Agreement Contractor verifies that Contractor (1) does not boycott Israel and will not during the term of this Agreement per Section 2274.002; (2) is not engaged in business with Iran, Sudan, or any company on the list referenced in Section 2252.152; (3) does not boycott energy companies and will not during the term of this Agreement per 2274.002; and (4) does not have a practice, policy, guidance, or directive of this Agreement against a firearm entity or firearm trade association and will not during the term of this Agreement per 2274.002.

*(signature block on next page)*

Executed on \_\_\_\_\_ . *(date to be filled in by City Secretary)*

**BAY OIL COMPANY - "Contractor"**

  
\_\_\_\_\_  
Jake Marsico - Commercial Sales Manager

**CITY OF LEAGUE CITY - "City"**

\_\_\_\_\_  
John Baumgartner - City Manager

**Attest:**

\_\_\_\_\_  
Diana Stapp, City Secretary

**Approved as to Form:**

\_\_\_\_\_  
Office of the City Attorney

# Exhibit A

Scope of Services/Description of Products/Payment Schedule  
(There are 9 pages for Exhibit A, including this page)

See Next Page





### III. Scope of Work

The City of League City seeks proposals for Bulk Fuel and Petroleum Products for the City. The purpose of these specifications is to describe the requirements of the City of League City for the contract. This contract is intended for routine and continuous usage. Emergency services and/or equipment provider will, by acceptance of this contract award, agree to perform emergency fuel management services on an "as-needed" or emergency contingency basis until such a time that the City can resume normal purchasing, bidding and contracting activities. The city does not guarantee to provide such work to the Contractor nor is there a guarantee for any particular amount of work. No payment shall be made for these services or equipment until Contractor is officially notified by the City to commence emergency services.

The successful proposer will, at minimum, satisfy the City's requirements for supply of 87 Octane Unleaded Reformulated Gasoline with 10% Ethanol and Ultra-Low Sulphur #2 Diesel with Low Emissions used in Texas in accordance with these specifications, all federal regulations and Texas Commission on Environmental Quality (TCEQ) requirements; satisfy the requirement for optimum emergency fuel management and equipment solutions; and may assist the City with the overall management of fuel including, but not limited to, cost control measures and scheduling deliveries based on consumption and utilization.

All quantities are based on estimated needs of the City on an annual basis. These estimates are not intended to set forth minimum or maximum quantities for this contract. Therefore, the City reserves the right to purchase more or less than the estimated quantities used in this solicitation for any or all items or services listed.

#### A. ITEMS AND ESTIMATED QUANTITIES

##### 1. Fuel

###### Gasoline

Unleaded 87 Octane RFG with 10% Ethanol (Meets ASTM Designation D439)	282,000 gallons
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###### Diesel

Texas Low Emission, Ultra Low Sulfur Diesel	60,450 gallons
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The formulation for various fuel types specified herein is subject to change during the terms of this Agreement as a result of changes made by the refinery or in federal, state and/or local regulations ("Alternate Formula Fuel")



## 2. Lubricants

All quantities are estimates based on historic needs of the City for one-year. The City of League City does not guarantee the purchase any given quantity and shall not be obligated to purchase any excess stock carried by the vendor at the end of the contract. Any catalog, brand name, or manufacturer's reference used is considered to be descriptive, not restrictive, and is indicative of the type and quality desired.

ITEM	DESCRIPTION	*QUANTITY	UNIT
2A	Motor Oil - Kendall 5W20 Synthetic or equivalent	1,073	Gallon (Bulk)
2B	Motor Oil – Chevron Delo 400 CJ4 15W40 or equivalent	600	Gallon (Bulk)
2C	Lube, Gear 75W90 – Fuel Synthetic	2	16 Gallon Drum
2D	Lube, Gear 80W140 – Fuel Synthetic	3	16 Gallon Drum
2E	Fluid, Hydraulic – AW68	5	55 Gallon Drum
2F	Fluid, Hydraulic – AW46	3	55 Gallon Drum
2G	Fluid, Hydraulic – John Deere J20C	7	55 Gallon Drum
2H	Fluid, Transmission – TES 295 Approved	3	55 Gallon Drum
2I	Fluid, Transmission – Dexron III or equivalent	2	55 Gallon Drum
2J	Fluid, Antifreeze – Shellzone Multi-Vehicle ELC or equivalent	1	55 Gallon Drum

## B. DELIVERIES

After receipt of order, response time must be within 24 hours. The City may require a shorter delivery time. In the event the vendor cannot deliver within the specified time, the city reserves the right to purchase item(s) on the open market, with any cost in excess of the contract price paid by the vendor.

Order sizes may vary, and deliveries may need to be split between multiple locations. All deliveries are to be coordinated with City personnel. Fuels are to be delivered as directed by the city on each order placed. Additional delivery sites may be designated at the option of the City. The city also reserves the right to delete delivery locations.

### Bulk Fuel Locations and Fuel Storage Tank Capacities\*

\*It is possible that over the term of the contract, bulk fuel may be consolidated to and/or an additional location will be added at 1701 West League City Pkwy, League City, TX 77573.

Location	Address	Delivery Hours	87 Octane Tank Size	Diesel Tank Size	Access	Estimated Delivery Schedule
Fleet Shop	1555 Dickinson Ave	7:30am – 3:30pm	8,000 gallons	4,000 gallons	Above Ground	Approx 4,000 gallons of 87 and 1,000 Gallons of Diesel weekly
Fire Station 3	3575 FM518	7:30am – 3:30pm	500 gallons	1,500 gallons	Above Ground	Approx 300 gallons of 87 weekly and 300 gallons Diesel monthly
Fire Station 4	175 W Bay Area Blvd	7:30am – 3:30pm	1,000 gallons	1,000 gallons	Above Ground	Approx 800 gallons of 87 weekly and 250 gallons Diesel monthly



**Various Locations for Remote Locations Requiring Diesel Fuel Deliveries**

See Exhibit "A" for complete list of various remote locations, including gallon capacity, which each require a diesel fuel delivery on average once per year.

Motor fuels shall be delivered by the Contractor in appropriate vehicles and all transportation and delivery charges shall be borne by Contractor. Successful proposer shall be required, upon delivery, to pump all fuel into the City's storage tanks or as otherwise directed. It is the responsibility of the successful proposer to supply pumps, hoses and any other necessary equipment necessary to appropriately discharge the fuels in the storage tanks.

Delivery trucks shall, at all times, comply with current State of Texas and Federal Regulations including those pertaining to fuel vapor control.

Contractor must provide a delivery ticket for each fuel delivery. The delivery ticket must indicate the time and place of loading; and number of gross and net gallons delivered into the storage tank. Failure to provide a signed delivery ticket with each fuel delivery may be grounds for nonpayment of the invoice.

All deliveries will be made Monday through Friday no earlier than 7:30 am or later than 3:30 pm. With the exception of generators and lift stations, each delivery location must have its own separate invoice.

Orders that require delivery in less than 24 hours would be by exception only. The City's expectation is that delivery methods/equipment is suited to the quantities ordered and most economical way possible. The areas to be serviced currently operated independently of each other.

There is no preference as to pulling directly from a rack or from storage tanks so long as quality of supply and pricing formula are not negatively impacted. The city is more concerned with equipment availability and uninterrupted access to quality fuel products and facilities. If delivery is to be subcontracted, the city will require transparency as to the relationship between supplier and carrier so as to help determine stability and consistency of supply. Contractor shall be responsible for all aspects of subcontractor performance and qualifications including licensing and safety, same standards as Contractor.

The City reserves the right to deny delivery vehicles that are leaking fuel or other hazardous materials access to city property. The vendor shall be notified of any denied access and shall make delivery within 1 working day of notification.



C. EMERGENCY RESPONSE PLAN

In order to provide the most effective response to an emergency, the City of League City may order bulk fuel (unleaded gasoline and diesel), or top off tanks forty-eight (48) to seventy-two (72) hours prior to an anticipated event, such as hurricane landfall. **In case of a major event or hurricane, the successful contractor shall deem the City of League City as a priority for the delivery of unleaded, diesel and petroleum products.**

Proposal must include an emergency plan, explaining how emergency operations are handled at your company, how maintaining service to the City would be prioritized during emergency situations and detailing procedures for continuity of staffing, communications, and product delivery, pre and post event. Failure to include an Emergency Response plan will result in disqualification.

D. CONTRACTOR'S RESPONSIBILITY

At the time of the opening of bids, each Contractor shall be presumed to have inspected the sites (if applicable) and to have read and be thoroughly familiar with the contract requirements. The failure or omission of any Contractor to examine any form, instrument, document or site shall in no way relieve any bidder from any obligation in respect to this bid.

1. Product Quality and Testing

All products provided under this contract will be free from impurities including but not limited to water, dirt, harmful oils, fibrous materials or other contaminants. Any product found to be contaminated or cross contaminated through the Vendors negligence or which does not meet specifications will be replaced by the Vendor immediately upon notification by the City, at the Vendor's expense. Disposal of contaminated fuels and cleaning of affected vehicle fuel and storage tanks will be the responsibility of the Vendor and must be done immediately upon notification by the City. In case of damage directly traceable to contamination, cross contamination or inferior fuel, the Vendor will be responsible for all damages and costs incurred by the Owner for any repairs. Deliveries of fuel under this contract are subject to testing, to ensure compliance with specifications. All tests shall be made as per methods specified or approved by the American Society of Testing Material, unless otherwise specified. When the test analysis shows fuel meeting specification, the City will pay for said test. When test analysis shows fuel does not meet specification, Vendor will pay for said test. In addition, Vendor agrees to be liable for all charges necessary to satisfactorily bring contaminated tanks within limits, pump out fuel and replace as necessary.

2. Spillage and Clean Up

The Vendor will be responsible for fuel spillage attributable to their negligence which may occur during transit, loading or unloading operations. All associated costs including materials and labor to clean the spill will be borne by the Vendor. Vendor shall immediately notify a representative of the City and appropriate



authorities as required by law based on the volume of spillage. Clean-up efforts shall begin within 24 hours of the time of spillage, or other time period as specified by the City. Clean-up must be performed in accordance with EPA and State of Texas guidelines and requirements and to the satisfaction of the City. Failure to do so will initiate corrective action by the City and charge back to the vendor any costs incurred. The City reserves the right to deny delivery vehicles that are leaking fuel or other hazardous materials access to City property. The vendor will be notified of any denied access and shall employ an alternative delivery at no additional charge within 1 (one) working day of notification. If delivery is not accomplished within the time frame specified, the City reserves the right to make the purchase on the open market, with any cost in excess of the contract price paid by the vendor, in addition to any other damages, director consequential, incurred by the City as a result thereof.

3. Shortages and Allocation or Catastrophic Conditions

The nature of utilizing a contract resulting from this solicitation is such that public safety might be jeopardized if fuels are not delivered as ordered in the event of fuel shortages or catastrophic conditions. Vendor agrees that delivery of products covered by this solicitation will be made in a priority manner to the exclusion of nongovernmental agencies during times of shortages and/or catastrophes. Vendor is to contact Owners and the City's purchasing division in the event of fuel shortages and/or the implementation of an allocation program.

4. Environmental Regulations

The City reserves the right to consider Supplier's history of citation and/or violations of environmental regulations in determining the Supplier's responsibility, and further reserves the right to declare a Supplier not responsible if the history of violations warrant such determination. **Supplier shall submit** with their bid a complete history of all citations and/or violations, notices and dispositions thereof. The non-submission of any such documentation shall be deemed to be an affirmation by Supplier that there are no citations or violations. Supplier shall notify the City immediately of notice of any citation or violation, which Supplier may receive after the bid opening date and during the time of performance of any contract awarded to Supplier.

5. Licensing

It shall be the sole responsibility of the awarded Vendor to maintain all licenses necessary to fulfill this agreement. Awarded Vendor will hold the City of League City harmless of any copyright infringements or penalties.

E. **PRICING**

The basis for pricing will be established on a formula, consisting of a benchmark index and a market differential. The City of League City intends to utilize a benchmark index to establish a verifiable baseline fuel price per gallon. This benchmark index will be based on data provided by the Oil Price Information Service (OPIS). Specifically, the 10:00 AM



Eastern Time Published Rack Report for Houston, Texas Daily Published Benchmark, Contract Average Rack Price or fuel shall be considered the benchmark for said market. The benchmark index is based on the date of fuel delivery to the City. The market differential proposed is to be a four-digit decimal numerical value that is added to or subtracted from the benchmark index for a given fuel product by Rack market. The market differential is to include all cost and profit components determined by the Supplier but should exclude any applicable taxes and delivery charges to the City. The City is tax exempt and delivery charges are to be listed separately from the differential. A price proposal form is included in this solicitation. Proposers are required to use this price proposal form to submit their proposed market differential, delivery and any other fees for each fuel product in the rack market. Contract prices are firm for the term of the contract except when, by mutual written agreement prior to any change, price revisions may be permitted. This solicitation is intended to establish a "living" contract that can be adapted to the changing needs of the City, within the scope of this solicitation for bulk fuels.



Proposal Pricing Sheet

DUE DATE: Wednesday October 14, 2020 by 10:00 a.m.

**Section 1 – Fuel**

A. Normal weekly deliveries to 3 locations (Dickinson Avenue, Fire Station 3 and Fire Station 4)

UNLEADED GASOLINE (87 OCTANE):

Transport load over 2,000 gallons  
OPIS Average Price ~~Plus~~ or Minus Differential \$ 0.0400

Transport load under 2,000 gallons  
OPIS Average Price ~~Plus~~ or Minus Differential \$ 0.1400

#2 LOW SULPHUR DIESEL:

Transport load over 2,000 gallons  
OPIS Average Price ~~Plus~~ or Minus Differential \$ 0.0400

Transport load under 2,000 gallons  
OPIS Average Price ~~Plus~~ or Minus Differential \$ 0.1400

B. Annual deliveries to remote locations as listed in Exhibit A

#2 LOW SULPHUR DIESEL:

Transport load over 2,000 gallons  
OPIS Average Price ~~Plus~~ or Minus Differential \$ 0.0400

Transport load under 2,000 gallons  
OPIS Average Price ~~Plus~~ or Minus Differential \$ 0.1400



**Section 2 – Oils and Fluids**

ITEM	DESCRIPTION	QTY	UNIT	*PRICE PER UNIT	TOTAL PRICE
2A	Motor Oil – Kendall 5W20 Synthetic or equivalent	1,073	Gallon (Bulk)	\$ 6.88	\$ 7,387. <sup>01</sup>
2B	Motor Oil – Chevron Delo 400 CJ4 15W40 or equivalent	600	Gallon (Bulk)	\$ 12.31	\$ 7,386. <sup>00</sup>
2C	Lube, Gear 75W90 – Fuel Synthetic	2	16 Gallon Drum	\$ 278.02	\$ 556. <sup>00</sup>
2D	Lube, Gear 80W140 – Fuel Synthetic	3	16 Gallon Drum	\$ 146.21	\$ 438. <sup>00</sup>
2E	Fluid, Hydraulic – AW68	5	55 Gallon Drum	\$ 297.85	\$ 1,489. <sup>00</sup>
2F	Fluid, Hydraulic – AW46	3	55 Gallon Drum	\$ 297.85	\$ 893. <sup>00</sup>
2G	Fluid, Hydraulic – John Deere J20C	7	55 Gallon Drum	\$ 366.41	\$ 2,564. <sup>00</sup>
2H	Fluid, Transmission – TES 295 Approved	3	55 Gallon Drum	\$ 483.04	\$ 1,449. <sup>00</sup>
2I	Fluid, Transmission – Dexron III or equivalent	2	55 Gallon Drum	\$ 297.33	\$ 594. <sup>00</sup>
2J	Fluid, Antifreeze – Shellzone Multi-Vehicle ELC or equivalent	1	55 Gallon Drum	\$ 302.41	\$ 302.41

**Section 3 - Emergency Recovery**

Are you prepared to provide fuel (unleaded and diesel products) in emergency situations as outlined in Section III paragraph C?

YES  NO

Can your company provide portable fueling tanks and pumps?

YES  NO

Indicate what size tank and pump will be provided:

Yes, 500, 1000 and 2000 Gallon Tanks -

Pumps - either 12 volt or 110 volt.

Cost for tank only Tank waive - \$150.<sup>00</sup>  
No cost for the Tank.

Provide electrical requirements for portable tanks: 12 volt Battery or 110 volt outlet.

Unit prices listed above are good for ninety (90) calendar days after receipt of proposal.