



College Station, TX

City Hall
1101 Texas Ave
College Station, TX 77840

Meeting Agenda - Final City Council Regular

Monday, October 20, 2014

7:00 PM

City Hall Council Chambers

1. Pledge of Allegiance, Invocation, Consider absence request.

Hear Visitors: A citizen may address the City Council on any item which does not appear on the posted Agenda. Registration forms are available in the lobby and at the desk of the City Secretary. This form should be completed and delivered to the City Secretary by 5:30 pm. Please limit remarks to three minutes. A timer alarm will sound after 2 1/2 minutes to signal thirty seconds remaining to conclude your remarks. The City Council will receive the information, ask staff to look into the matter, or place the issue on a future agenda. Topics of operational concerns shall be directed to the City Manager. Comments should not personally attack other speakers, Council or staff.

Consent Agenda

At the discretion of the Mayor, individuals may be allowed to speak on a Consent Agenda Item. Individuals who wish to address the City Council on a consent agenda item not posted as a public hearing shall register with the City Secretary prior to the Mayor's reading of the agenda item. Registration forms are available in the lobby and at the desk of the City Secretary.

2. Presentation, possible action and discussion of consent agenda items which consists of ministerial or "housekeeping" items required by law. Items may be removed from the consent agenda by majority vote of the Council.

- 2a. [14-760](#) Presentation, possible action, and discussion of minutes for:
 - October 9, 2014 Workshop
 - October 9, 2014 Regular Council Meeting

Sponsors: Mashburn

Attachments: [WKSHP100914 DRAFT Minutes.pdf](#)
[RM100914 DRAFT Minutes.pdf](#)

- 2b. [14-719](#) Presentation, possible action and discussion on approving the budget of the Memorial for all Veterans of the Brazos Valley; and presentation, discussion and possible action on a funding agreement between the City of College Station and the Memorial for all Veterans of the Brazos Valley for FY15 in the amount of \$15,000.

Sponsors: Kersten

- 2c. [14-745](#) Presentation, possible action, and discussion regarding the

renewal of a contract for Annual Pad-Mount Equipment Repair and Restoration to Utility Restoration Services Inc. in the amount of \$102,370.

Sponsors: Crabb

Attachments: [Contract 13-409 - Renewal 1.pdf](#)

- 2d. [14-746](#) Presentation, possible action, and discussion regarding a resolution appointing Mr. Bill Harris as a member of the Brazos Valley Groundwater Conservation District Board of Directors, subject to approval by the Brazos Valley Commissioners Court.

Sponsors: Coleman

Attachments: [BVGCD letter.pdf](#)
[Resolution.docx](#)

- 2e. [14-747](#) Presentation, possible action and discussion on a resolution stating that the City Council has reviewed and approved the City's Investment Policy, Broker-Dealer List and Investment Strategy.

Sponsors: Kersten

Attachments: [Investment Policy 2015.docx](#)
[Resolution - Investment Policy FY14.docx](#)

- 2f. [14-748](#) Presentation, possible action, and discussion on a Professional Services Contract with Binkley & Barfield, Inc. in the amount of \$144,820 for professional services associated with the Graham Road Rehabilitation Project.

Sponsors: Harmon

Attachments: [Graham Road Map.pdf](#)

- 2g. [14-749](#) Presentation, possible action, and discussion on a professional services contract with Binkley and Barfield, Inc. in the amount of \$377,470 for professional engineering services related to the Munson Avenue Rehabilitation Project.

Sponsors: Harmon

Attachments: [Munson Rehab Location Map.pdf](#)

- 2h. [14-750](#) Presentation, possible action and discussion regarding the renewal of Contract No. 14-017 (ITB No. 14-006) for annual pavement markings and striping of roadways in an amount not to exceed \$150,000.

Sponsors: Harmon

Attachments: [COCS Renewal Contract 1.pdf](#)

- 2i. [14-751](#) Presentation, possible action and discussion regarding change

order no. 1 with Kieschnick General Contractors, Inc., in the amount of \$77,150.68 for the Royder-Live Oak Sewer Extension Project (contract no. 14-170).

Sponsors: Harmon

Attachments: [ChangeOrderForm - CO 1 20140918.pdf](#)
[Water-WW Maps Desktop royder.pdf](#)

- 2j. [14-752](#) Presentation, possible action, and discussion on a professional services contract with Freese & Nichols, Inc. in the amount of \$148,400 for professional services associated with the Well Field Collection System Loop Project.

Sponsors: Harmon

Attachments: [Well Field Collection Loop.pdf](#)

- 2k. [14-754](#) Presentation, possible action and discussion to approve a renewal of the consulting contract with First Southwest Company in an amount not to exceed \$ 150,000 for financial advisory services.

Sponsors: Kersten

Attachments: [13-298 R#1 First Southwest Company.pdf](#)

- 2l. [14-755](#) Presentation, possible action and discussion on approving the award of an annual contract for gasoline and diesel fuel (Contract #15-006) to Brenco Marketing Corporation (Bryan, TX) for the amount of \$1,575,000.

Sponsors: Kersten

Attachments: [Contract 15-006 Brenco Marketing.pdf](#)

- 2m. [14-758](#) Presentation, possible action and discussion approving a resolution authorizing expenditures to the Aggieland Humane Society, Inc. in the amount of \$205,000.

Sponsors: Kersten

Attachments: [Animal Shelter Resolution 2014.docx](#)

- 2n. [14-759](#) Presentation, possible action, and discussion on approval of the 2014 Property Tax Roll in the amount of \$29,803,313.50.

Sponsors: Kersten

Attachments: [College Station-2014 - TotalsReport rpt.pdf](#)

Regular Agenda

At the discretion of the Mayor, individuals may be allowed to speak on a Regular Agenda Item. Individuals who wish to address the City Council on a regular agenda item not posted as a public hearing shall register with the City Secretary prior to the

Mayor's reading of the agenda item. Registration forms are available in the lobby and at the desk of the City Secretary.

Individuals who wish to address the City Council on an item posted as a public hearing shall register with the City Secretary prior to the Mayor's announcement to open the public hearing. The Mayor will recognize individuals who wish to come forward to speak for or against the item. The speaker will state their name and address for the record and allowed three minutes. A timer alarm will sound at 2 1/2 minutes to signal thirty seconds remaining to conclude remarks. After a public hearing is closed, there shall be no additional public comments. If Council needs additional information from the general public, some limited comments may be allowed at the discretion of the Mayor.

If an individual does not wish to address the City Council, but still wishes to be recorded in the official minutes as being in support or opposition to an agenda item, the individual may complete the registration form provided in the lobby by providing the name, address, and comments about a city related subject. These comments will be referred to the City Council and City Manager.

1. [14-753](#) Public Hearing, presentation, possible action and discussion regarding an Oil and Gas Operations Permit for the Buey Unit, Well #1H as requested by the operator, Halcon Operating, Co., Inc. of Houston, Texas.

Sponsors: Gibbs

Attachments: [1 - Vicinity Map.jpg](#)
[2 - Resolution.doc](#)
[3 - Exhibit A - Application.pdf](#)
[4 - Exhibit B - Location Map.jpg](#)
[5 - Exhibit C - Bond.pdf](#)
[6 - City Engineer Report to PRC.doc](#)
[7 - Draft Permit 14-400041.doc](#)

2. Adjourn.

The City Council may adjourn into Executive Session to consider any item listed on this agenda if a matter is raised that is appropriate for Executive Session discussion. An announcement will be made of the basis for the Executive Session discussion.

APPROVED



City Manager

I certify that the above Notice of Meeting was posted at College Station City Hall, 1101

Texas Avenue, College Station, Texas, on October 16, 2014 at 5:00 p.m.


City Secretary

This building is wheelchair accessible. Handicap parking spaces are available. Any request for sign interpretive service must be made 48 hours before the meeting. To make arrangements call (979) 764-3517 or (TDD) 1-800-735-2989. Agendas may be viewed on www.cstx.gov. Council meetings are broadcast live on Cable Access Channel 19.



Legislation Details (With Text)

File #: 14-760 **Version:** 1 **Name:** Minutes
Type: Minutes **Status:** Consent Agenda
File created: 10/13/2014 **In control:** City Council Regular
On agenda: 10/20/2014 **Final action:**
Title: Presentation, possible action, and discussion of minutes for:
· October 9, 2014 Workshop
· October 9, 2014 Regular Council Meeting
Sponsors: Sherry Mashburn
Indexes:
Code sections:
Attachments: [WKSHP100914 DRAFT Minutes.pdf](#)
[RM100914 DRAFT Minutes.pdf](#)

Date	Ver.	Action By	Action	Result
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Presentation, possible action, and discussion of minutes for:
· October 9, 2014 Workshop
· October 9, 2014 Regular Council Meeting

Relationship to Strategic Goals:
• Good Governance

Recommendation(s): Approval

Summary: None

Budget & Financial Summary: None

Attachments:

MINUTES OF THE CITY COUNCIL WORKSHOP
CITY OF COLLEGE STATION
OCTOBER 9, 2014

STATE OF TEXAS §
 §
COUNTY OF BRAZOS §

Present:

Nancy Berry, Mayor

Council:

Blanche Brick
Steve Aldrich
Karl Mooney
John Nichols
Julie Schultz
James Benham, absent

City Staff:

Kelly Templin, City Manager
Chuck Gilman, Deputy City Manager
Carla Robinson, City Attorney
Sherry Mashburn, City Secretary
Tanya McNutt, Deputy City Secretary

1. Call to Order and Announce a Quorum is Present

With a quorum present, the Workshop of the College Station City Council was called to order by Mayor Berry at 4:30 p.m. on Thursday, October 9, 2014 in the Council Chambers of the City of College Station City Hall, 1101 Texas Avenue, College Station, Texas 77840.

2. Executive Session

In accordance with the Texas Government Code §551.071-Consultation with Attorney, §551.074-Personnel, and §551.087-Economic Incentive Negotiations, the College Station City Council convened into Executive Session at 4:30 p.m. on Thursday, October 9, 2014 in order to continue discussing matters pertaining to:

- A. Consultation with Attorney to seek advice regarding pending or contemplated litigation; to wit:
- College Station v. Star Insurance Co., Civil Action No. 4:11-CV-02023.

- Patricia Kahlden, individ. and as rep. of the Estate of Lillie May Williams Bayless v. Laura Sue Streigler, City of College Station and James Steven Elkins, No. 11-003172-CV-272, in the 272nd District Court of Brazos County, TX
- Cause No. 13-002978-CV-361, Deluxe Burger Bar of College Station, Inc. D/B/A Café Eccell v. Asset Plus Realty Corporation, City of College Station, Texas and the Research Valley Partnership, Inc., In the 361st Judicial District Court, Brazos County, Texas
- Margaret L. Cannon v. Deputy Melvin Bowser, Officer Bobby Williams, Officer Tristan Lopez, Mr. Mike Formicella, Ms. Connie Spence, Cause No. 13 002189 CV 272, In the 272nd District Court of Brazos County, Texas
- Bobby Trant v. BVSWMA, Inc., Cause No. 33014, In the District Court, Grimes County, Texas, 12th Judicial District
- Robyn Taylor, et al vs. Boomfit, Carlos Lima and Alicia Lima and Lincoln Recreational Center, Cause No. 13 003118 CV 85, In the 85th District Court of Brazos County, Texas
- Juliao v. City of College Station, Cause No. 14-002168-CV-272, in the 272nd District Court of Brazos County, Texas

B. Deliberation on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer; to wit:

- Municipal Court Judge

C. Deliberation on offer of financial or other incentives for a business prospect the City seeks to have locate, stay, or expand in or near the City limits; to wit:

- Economic incentives for a proposed development located generally in the Business Center at College Station

The Executive Session adjourned at 5:41 p.m.

3. Take action, if any, on Executive Session.

No action was required from Executive Session.

4. Presentation, possible action, and discussion on items listed on the consent agenda.

Consent items 2b and 2f were pulled for clarification.

(2b)David Schmitz. Director of Parks and Recreation, provided slides detailing the significant changes to the agreement, such as custodial services, staffing, the inter-library loan program, and changing terms to a one-year term with only one renewal.

(2f)Timothy Crabb, Director of Electric Utilities, explained the increase was due to the underestimation of the materials needed this year. This reflects Techline’s increase due to the extensive growth in Northgate.

5. Presentation, possible action, and discussion concerning the City Internal Auditor’s Change Order Audit.

Ty Elliott, City Auditor, reported that the change order processes appear to be running efficiently and effectively. However, there is some room for improvement, and it was found that approval practices for change orders need to be strengthened. These improvements include:

- Ensure there is approval of contract manager and their supervisor;
- Improve financial system documentation of all changes made to a purchase order;
- Place greater emphasis on negotiating change order prices; and
- Distribute to vendors and vendor employees information regarding the City's fraud hotline.

6. Presentation, possible action and discussion regarding a project status update for the University Drive Pedestrian Safety Improvements Phase II Project.

Donald Harmon, Director of Public Works, updated the Council on the University Drive Pedestrian Safety Improvements Phase II Project. He noted that Project meetings were held with local merchants on site.

Troy Rother, Traffic Engineer, updated the Council on existing traffic for all four approaches to the intersection. Progression timings were recommended and have already been implemented.

Mr. Harmon briefed the Council on the conceptual designs. Next steps will include continuing discussion on the impacts of the Midway development and engineering complex; hold a public meeting; and the conceptual design will be finalized based on information gathered at these meetings.

7. Council Calendar

Council reviewed the calendar.

8. Presentation, possible action, and discussion on future agenda items: a Councilmember may inquire about a subject for which notice has not been given. A statement of specific factual information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting.

There were no requests for future agenda items.

9. Discussion, review and possible action regarding the following meetings: Animal Shelter Board, Arts Council of Brazos Valley, Arts Council Sub-committee, Audit Committee, Bicycle, Pedestrian, and Greenways Advisory Board, Bio-Corridor Board of Adjustments, Blinn College Brazos Valley Advisory Committee, Brazos County Health Dept., Brazos Valley Council of Governments, Bryan/College Station Chamber of Commerce, Budget and Finance Committee, BVSWM, BVWACS, Compensation and Benefits Committee, Convention & Visitors Bureau, Design Review Board, Economic Development Committee, Gigabit Broadband Initiative, Historic Preservation Committee, Interfaith Dialogue Association, Intergovernmental Committee, Joint Relief Funding Review Committee, Landmark Commission, Library Board, Metropolitan Planning Organization, Parks and Recreation Board, Planning and Zoning Commission, Research Valley Partnership, Research Valley Technology Council, Regional Transportation Committee for Council of

Governments, Transportation and Mobility Committee, TAMU Student Senate, Texas Municipal League, Twin City Endowment, Youth Advisory Council, Zoning Board of Adjustments.

Mayor Berry reported on the TML Annual Conference and the Council of Governments.

Councilmember Nichols reported on the Brazos County Health Department.

Councilmember Brick reported on Transportation Forum sponsored by the Chamber Transportation Committee.

Councilmember Mooney reported on the CVB.

Councilmember Aldrich stated there was no meeting of the Arts Council due to National Night Out.

Councilmember Schultz reported on the tour of Kyle Field.

10. Adjournment

MOTION: There being no further business, Mayor Berry adjourned the workshop of the College Station City Council at 6:43 p.m. on Thursday, October 9, 2014.

Nancy Berry, Mayor

ATTEST:

Sherry Mashburn, City Secretary

MINUTES OF THE REGULAR CITY COUNCIL MEETING
CITY OF COLLEGE STATION
OCTOBER 9, 2014

STATE OF TEXAS §
 §
COUNTY OF BRAZOS §

Present:

Nancy Berry, Mayor

Council:

Blanche Brick
Steve Aldrich
Karl Mooney
John Nichols
Julie Schultz
James Benham, absent

City Staff:

Kelly Templin, City Manager
Carla Robinson, City Attorney
Chuck Gilman, Deputy City Manager
Sherry Mashburn, City Secretary
Tanya McNutt, Deputy City Secretary

Call to Order and Announce a Quorum is Present

With a quorum present, the Regular Meeting of the College Station City Council was called to order by Mayor Berry at 7:03 p.m. on Thursday, October 9, 2014 in the Council Chambers of the City of College Station City Hall, 1101 Texas Avenue, College Station, Texas 77840.

1. Pledge of Allegiance, Invocation, consider absence request.

Peter Ramirez, State Representative for the MDA, led the assembly in the Pledge.

MOTION: Upon a motion made by Councilmember Nichols and a second by Councilmember Mooney the City Council voted six (6) for and none (0) opposed, to approve Councilmember Benham's Absence Request. The motion carried unanimously.

Recognition of the Bryan/College Station Habitat for Humanity 25th Anniversary, proclaiming October 16, 2014 as B/CS Habitat for Humanity Day.

Mayor Berry presented representatives of the Bryan/College Station Habitat for Humanity a proclamation proclaiming October 16 as B/CS Habitat for Humanity Day.

Recognition of the College Station Professional Fire Fighters for Fill the Boot to help MDA, proclaiming October 9th, 10th and 11th as Fill the Boot Day

Mayor Berry presented the College Station Fire Department with a proclamation proclaiming October 9, 10, and 11 as College Station Fire Department “Fill the Boot” Days.

Citizen Comments

Ben Roper, 5449 Prairie Dawn Court, came before Council to honor the service and sacrifice of Pvt. 1st Class Chad E. Bales.

CONSENT AGENDA

2a. Presentation, possible action, and discussion of minutes for:

- **September 22, 2014 Regular Council Meeting**
- **September 22, 2014 Workshop**

2b. Presentation, possible action and discussion regarding the renewal of the Interlocal Agreement with the City of Bryan for Management of the Larry J. Ringer Library.

2c. Presentation, possible action and discussion on a third amendment to the current lease between the City of College Station and DVA Renal Healthcare, Inc. formerly known as Gambro Healthcare of Texas, Inc. (aka DaVita, Inc.) in the Chimney Hill Shopping Center, extending the lease for a period of three (3) months.

2d. Presentation, possible action and discussion on a bid award for the annual purchase of three phase pad-mounted transformers, which will be maintained in electrical inventory and expended as needed. The total recommended award is \$563,601 and will be awarded by line item to the lowest responsible bidder.

2e. Presentation, possible action, and discussion authorizing the renewal of the award of Bid No. 12-102 for the purchase of City branded uniforms for Parks athletic programs and for other City departments with CC Creations (\$45,000) and Monograms and More (\$33,000) for a combined annual estimated expenditure of \$78,000.

2f. Presentation, possible action and discussion on increasing a previous award to Techline by 25%, or \$127,164.56, for Bid #14-038, Various Electrical Items for a new not to exceed amount of \$635,822.81. These items will be stored in inventory and expensed as needed.

2g. Presentation, possible action, and discussion regarding a renewal of the Service Contract with Payment Processing Inc. (PPI) for Electronic Credit Card Processing and Merchant Account Services with estimated banking fees and services charges not to exceed \$750,000 annually.

2h. Presentation, possible action and discussion on approving the agreement between the City of College Station and the Arts Council of the Brazos Valley for FY15 in the amount of \$386,400 for Affiliate funding and Annual Program and Marketing funding.

2i. Presentation, possible action and discussion on approving the budget of the Arts Council of the Brazos Valley, and; presentation, possible action and discussion on approving the agreement between the City of College Station and the Arts Council of the Brazos Valley for operations and maintenance FY15 totaling \$100,000 with \$35,000 coming from the General Fund and \$65,000 coming from the Hotel Tax Fund.

2j. Presentation, possible action and discussion on approving the budget of the Bryan/College Station Chamber of Commerce and presentation, possible action and discussion on a funding agreement between the City of College Station and the Bryan/College Station Chamber of Commerce for FY15 in the amount of \$25,000.

2k. Presentation, possible action and discussion on a funding agreement between the City of College Station and College Station Noon Lions Club for FY15 in the amount of \$15,000.

2l. Presentation, possible action and discussion on a funding agreement between the City of College Station and the Brazos Valley Convention and Visitors Bureau (CVB) for FY15 in the amount of \$250,000 to administer the CVB Grant Program.

2m. Presentation, possible action and discussion on approving the budget of the Brazos Valley Convention and Visitors Bureau (CVB); and presentation, possible action and discussion on a funding agreement between the City of College Station and the Brazos Valley Convention and Visitors Bureau for FY15 in the amount of \$1,321,294.25.

2n. Presentation, possible action and discussion on a funding agreement between the City of College Station and the Research Valley Partnership (RVP) for FY15 in the amount of \$350,000.

2o. Presentation, possible action and discussion regarding construction contract no. 14-365 with Dudley Construction, Ltd., in the amount of \$698,659.38 for the 30-Inch Water Transmission Line Reinstallation Project.

MOTION: Upon a motion made by Councilmember Schultz and a second by Councilmember Mooney, the City Council voted six (6) for and none (0) opposed, to approve the Consent Agenda. The motion carried **unanimously**.

REGULAR AGENDA

1. Public Hearing, presentation, possible action and discussion regarding Resolution 10-09-14-01, an Oil and Gas Operations Permit for the Bistonte Unit, Well #3H as requested by the operator, Halcon Operating, Co., Inc. of Houston, Texas.

Alan Gibbs, Planning and Development, reported that the Chair of the Planning and Zoning Commissions, the Fire Marshall, the Assistant Director of Planning and Development, and the City Engineer met and agreed to recommend approval of the permit with some noted conditions:

- All waivers be secured;
- 10-foot earthen fire access around the pad; and
- All EIA recommendations be followed.

At approximately 7:27 p.m., Mayor Berry opened the Public Hearing.

Heath Phillips, 305 Deacon, provided written comments in opposition.

Luke Marvel, 2905 Meadowbrook Court, runs the leasing office at the Barracks, adjacent to the project. He is concerned that the area will be developed as residential. A lot of effort has been expended to develop quality neighborhoods, and he hopes this does not create a precedent and undermine what the City is doing.

Denise Snyder, 8404 Turtle Rock Loop, stated the rules are inadequate to protect residents and schools. This will turn the area into an industrial zone. They are already inundated by fracking vehicles. She wants to know what the revenue is. Fracking uses a lot of water, and it looks like they are not planning on recycling. There should be a discussion with community members.

Paul Schultz, 5704 Travis Green, Austin, said he has property in close proximity. In original discussions with Halcon, they said they would help put residents up in hotels. However, once the waivers were not signed, the residents will not be taken care of. He doesn't know of any other wells being drilled in the City limits. Per the Comprehensive Plan, this is planned for future high occupancy residences. There is ambiguity on whether it will cut across his property and affect development.

Sherry Ellison, 2705 Brookway, stated that Halcon has put down a security of \$250,000 and that is trivial. If they do things wrong, it won't be covered. Regarding the site locations and the distance from schools and residences, we have city blocks that long, so the distance is not that far. She asked what the distance is from water wells? The material says earth pits are allowed. Earth pits should not be allowed when we have incredible rains. Things also need to be addressed in the proofing. It also doesn't specify plugging and cleaning if they stop or if they outsource. She suggested the Council vote no.

Jan McMurrey, 3400 Mustang Lane, said she lives close to the project. She also owns property in the Barracks. The first time she heard about it was on the news the night before. She lives in College Station because of the quality of life here and has been here a long time. The well will be only a mile from her. There will be a lot of light and noise issues and possible environmental problems.

Mary Jo Hurley, Ogden Resources Corporation, provided written comments in favor and spoke. She said it only takes about 30-60 days to drill the well. After the well is done, the lights are off, the noise is gone, and a small area will be fenced off. The residents will be minimally impacted.

Judith Beckmann, 9301 Amberwood Court, said she doesn't live near the site, but the only way geographically for oil and gas to get out of there is to go over the railroad tracks in a residential area. There is a potential problem with tankers and trains colliding. The railroad will be shaking that structure every day.

There being no further comments, the Public Hearing was closed at 7:44 p.m.

A motion was made by Councilmember Aldrich and seconded by Councilmember Nichols, to adopt Resolution 10-09-14-01, an Oil and Gas Operations Permit for the Bistonte Unit, Well #3H as requested by the operator, Halcon Operating, Co., Inc. of Houston, Texas.

MOTION: Upon a motion by Councilmember Aldrich and a second by Councilmember Nichols, the City Council voted five (5) for and one (1) opposed, with Councilmember Mooney voting against, to amend the previous motion to reflect the new site location and noted conditions. The motion to amend carried.

MOTION: Upon a motion by Councilmember Aldrich and a second by Councilmember Nichols, the City Council voted five (5) for and one (1) opposed, with Councilmember Mooney voting against, to adopt Resolution 10-09-14-01, an Oil and Gas Operations Permit for the Bistonte Unit, Well #3H as requested by the operator, Halcon Operating, Co., Inc. of Houston, Texas, as amended. The motion carried.

2. Public Hearing, presentation, possible action, and discussion regarding Ordinance 2014-3604, amending Chapter 10, "Traffic Code", Section 4 "Administrative Adjudication of Parking Violations", E "Parking Regulations for Certain Described Areas", (1) "Traffic Schedule XIV - No Parking Here to Corner or No Parking at Any Time" of the Code of Ordinances of the City of College Station, Texas, to temporarily remove parking along the 300 Block of First Street.

This item was on the September 22 agenda and was postponed to allow staff time to work with the developer and the Northgate Association to arrive at a solution.

Danielle Singh, Transportation Planning Coordinator, stated that this ordinance will amend Chapter 10, Traffic Code, by temporarily removing parking from the 300 block of First Street to facilitate construction activities.

At approximately 8:21 p.m., Mayor Berry opened the Public Hearing.

Chris Scotti, 305 Gleeson, thanked the Council for working toward a compromise. It does not address every concern, but it is something with which they can live. The Northgate District Business Association supports this.

There being no further comments, the Public Hearing was closed at 8:23 p.m.

MOTION: Upon a motion made by Councilmember Mooney and a second by Councilmember Nichols, the City Council voted six (6) for and none (0) opposed, to adopt Ordinance 2014-3604, amending Chapter 10, "Traffic Code", Section 4 "Administrative Adjudication of Parking Violations", E "Parking Regulations for Certain Described Areas", (1) "Traffic Schedule XIV - No Parking Here to Corner or No Parking at Any Time" of the Code of Ordinances of the City of College Station, Texas, to temporarily remove parking along the 300 Block of First Street. The motion carried unanimously.

Council directed staff to look into allowing parking on grass during the temporary removal of parking along the street.

3. Public Hearing, presentation, possible action and discussion on Resolution 10-09-14-03 that establishes the City Council determination that the use of parkland is allowable and that no other feasible or prudent alternative for Right-of-Way, Public Utility Easements and Public Utility, Public Access and Landscape Easements exist for the road widening of Rock Prairie Road East, the extension of water lines and the extension of other public utilities to the proposed Lick Creek Nature Center and connection of wastewater lines, all other public utilities and public access ways for proposed development, and that all reasonable planning measures have been taken to minimize the harm to such parkland.

Donald Harmon, Director of Public Works, and David Schmitz, Director of Parks and Recreation, reported that this will establish easements and street right-of-way across Lick Creek Park needed for the development of the Lick Creek Nature Center and the City-owned 63.187 acre tract that is being marketed for sale to the public.

At approximately 8:30 p.m., Mayor Berry opened the Public Hearing.

There being no comments, the Public Hearing was closed at 8:30 p.m.

MOTION: Upon a motion made by Councilmember Mooney and a second by Councilmember Schultz, the City Council voted six (6) for and none (0) opposed, to adopt Resolution 10-09-14-03 that establishes the City Council determination that the use of parkland is allowable and that no other feasible or prudent alternative for Right-of-Way, Public Utility Easements and Public Utility, Public Access and Landscape Easements exist for the road widening of Rock Prairie Road East, the extension of water lines and the extension of other public utilities to the proposed Lick Creek Nature Center and connection of wastewater lines, all other public utilities and public access ways for proposed development, and that all reasonable planning measures have been taken to minimize the harm to such parkland. The motion carried unanimously.

4. Adjournment.

MOTION: There being no further business, Mayor Berry adjourned the Regular Meeting of the City Council at 8:30 p.m. on Thursday, October 9, 2014.

Nancy Berry, Mayor

ATTEST:

Sherry Mashburn, City Secretary



Legislation Details (With Text)

File #: 14-719 **Version:** 1 **Name:** Veterans Memorial FY15
Type: Presentation **Status:** Consent Agenda
File created: 9/22/2014 **In control:** City Council Regular
On agenda: 10/20/2014 **Final action:**

Title: Presentation, possible action and discussion on approving the budget of the Memorial for all Veterans of the Brazos Valley; and presentation, discussion and possible action on a funding agreement between the City of College Station and the Memorial for all Veterans of the Brazos Valley for FY15 in the amount of \$15,000.

Sponsors: Jeff Kersten

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
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Presentation, possible action and discussion on approving the budget of the Memorial for all Veterans of the Brazos Valley; and presentation, discussion and possible action on a funding agreement between the City of College Station and the Memorial for all Veterans of the Brazos Valley for FY15 in the amount of \$15,000.

Recommendation(s): Staff recommends approval of the Memorial for all Veterans of the Brazos Valley budget and the funding agreement for FY15.

Summary: As part of the 2014-2015 budget process the City Council approved funding for the Memorial for all Veterans of the Brazos Valley in the amount of \$15,000 for the funding and design of the American Civil War Memorial along the Lynn Stuart Pathway at Veterans Park.

Budget & Financial Summary: The funds for this agreement are budgeted and available in the 2014-2015 Hotel Tax Fund budget. State law requires that the City Council approve the budget of any organization that is to be funded through the Hotel Tax.

Attachments:

1. The Memorial for all Veterans of the Brazos Valley FY15 Budget (Available in City Secretary's Office)
2. The Memorial for all Veterans of the Brazos Valley FY15 Funding Agreement (Available in City Secretary's Office)



Legislation Details (With Text)

File #: 14-745 **Version:** 1 **Name:** Annual Pad-Mount Equipment Repair Renewal 1
Type: Renewal **Status:** Consent Agenda
File created: 10/1/2014 **In control:** City Council Regular
On agenda: 10/20/2014 **Final action:**
Title: Presentation, possible action, and discussion regarding the renewal of a contract for Annual Pad-Mount Equipment Repair and Restoration to Utility Restoration Services Inc. in the amount of \$102,370.
Sponsors: Timothy Crabb
Indexes:
Code sections:
Attachments: [Contract 13-409 - Renewal 1.pdf](#)

Date	Ver.	Action By	Action	Result
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Presentation, possible action, and discussion regarding the renewal of a contract for Annual Pad-Mount Equipment Repair and Restoration to Utility Restoration Services Inc. in the amount of \$102,370.

Relationship to Strategic Goals: (Select all that apply)

- Core Services and Infrastructure

Recommendation(s):

Staff recommends approval of the contract.

Summary:

In 2012, College Station Utilities (CSU) began a program designed to extend the life of pad-mounted electrical equipment such as transformers, junction boxes, and switchgear by addressing items such as rust repair, painting, removal of fire ant mounds, and leveling the devices in the field. This contract will provide the necessary inspections and repair of electric pad-mounted equipment as funded in the 2014 budget. Performing this preventative maintenance on the pad-mounted equipment will prevent premature failures and will reduce the number of devices which have to be replaced each year while providing better customer service by eliminating extended outages to the customers served from these devices. This contract will perform repairs as need on approximately 230 units. CSU plans to continue this program annually with inspections and repairs being performed in areas based on date of installation and reported problems.

This is the first of two possible annual renewals.

Budget & Financial Summary:

Funds are budgeted and available in the Electric Capital Improvement Project Budget.

Attachments:

Renewal

.....

RENEWAL ACCEPTANCE

By signing herewith, I acknowledge and agree to renew Bid 13-099, Contract 13-409 for Annual Pad-Mount Equipment Repair and Restoration, and in accordance with all terms and conditions previously agreed to and accepted for an amount not to exceed One Hundred Two Thousand Three Hundred Seventy and 00/100 Dollars (\$102,370.00).

I understand this renewal term will be for the period beginning November 1, 2014 through October 31, 2015. This is the first of two possible renewals.

Utility Restoration Services, Inc.

City of College Station

By: George Combs
Printed Name: George Combs
Title: Sales & Quality Control
Date: 9-26-14

By: _____
City Manager
Date: _____

APPROVED:

City Attorney
Date: _____

Asst. City Manager/ CFO
Date: _____



Legislation Details (With Text)

File #: 14-746 **Version:** 1 **Name:** Appointment BVGCD Board
Type: Resolution **Status:** Consent Agenda
File created: 10/3/2014 **In control:** City Council Regular
On agenda: 10/20/2014 **Final action:**
Title: Presentation, possible action, and discussion regarding a resolution appointing Mr. Bill Harris as a member of the Brazos Valley Groundwater Conservation District Board of Directors, subject to approval by the Brazos Valley Commissioners Court.
Sponsors: David Coleman
Indexes:
Code sections:
Attachments: [BVGCD letter.pdf](#)
[Resolution.pdf](#)

Date	Ver.	Action By	Action	Result
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Presentation, possible action, and discussion regarding a resolution appointing Mr. Bill Harris as a member of the Brazos Valley Groundwater Conservation District Board of Directors, subject to approval by the Brazos Valley Commissioners Court.

Relationship to Strategic Goals: (Select all that apply)

- Core Services and Infrastructure

Recommendation: Staff recommends approval of the Resolution.

Summary: Mr. Bill Harris is presently serving as the College Station representative on the Board of Directors of the Brazos Valley Groundwater Conservation District. As shown in the attached letter, his current term expires effective December 31, 2014. As required by House Bill 1784, section 2.11 (3), the City’s appointment to the Board must be approved by the Brazos Valley Commissioners Court.

Staff recommends that Mr. Bill Harris be re-appointed - he is the former Director of the Texas Water Resources Institute at Texas A&M, and is a recognized expert in the field of water resources. He is well versed in the importance of groundwater issues to the City, has proven over many years to use sound judgment and to always be fair minded, and has shown dedication to represent the best interests of College Station and our water needs. Mr. Harris has indicated his willingness to accept this appointment, if City Council so decides.

For these reasons, Staff recommends approval of the Resolution that will re-appoint Mr. Harris to the groundwater District Board, which will expire on December 31, 2017.

Budget & Financial Summary: Not applicable.

Reviewed and Approved by Legal: Yes

Attachments:

BVGCD letter
Resolution



BRAZOS VALLEY GROUNDWATER CONSERVATION DISTRICT

P.O. Box 528 · HEARNE, TX 77859 · (979)279-9350 · FAX: (979)279-0035
WWW.BRAZOSVALLEYGCD.ORG

October 2, 2014

The Honorable Mayor Nancy Berry
City of College Station
PO Box 9960
College Station, TX 77842

RECEIVED

OCT 03 2014

Dear Mayor Berry,

This letter is to notify you of the need to appoint or re-appoint a director to the Brazos Valley Groundwater Conservation District (BVGCD) whose term expires at the end of 2014.

The BVGCD, comprised of both Robertson and Brazos counties, was created by the Texas Legislature in 2001 during the 77th legislative session. District enabling legislation (HB 1784) requires that the director representing the City of College Station be someone appointed by the City and approved by the Brazos County Commissioners Court. The board term expiring is listed below.

- Bill L. Harris – City of College Station

I would ask that you make the appropriate appointment for this position in a timely manner. The Commissioners Court will need sufficient lead time to place the appointment on a future agenda allowing them to make the approval prior to January 1, 2015. Please notify the BVGCD once the appointed individual has been named and sent to the Commissioners Court.

On behalf of the BVGCD Board of Directors, I thank you and the College Station City Council for your continued support.

Kindest Regards,

Alan M. Day
General Manager
Brazos Valley Groundwater Conservation District

cc: Dave Coleman
Bill L. Harris
Judge Duane Peters

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS, APPOINTING MR. BILL HARRIS AS THE CITY'S REPRESENTATIVE TO THE BRAZOS VALLEY GROUNDWATER CONSERVATION DISTRICT BOARD OF DIRECTORS.

WHEREAS, The City Council of the City of College Station strives through its *Vision Statements* to provide high quality, customer focused basic city services at a reasonable cost, including effective water services; and

WHEREAS, House Bill 1784, section 2.11(d) establishes one seat on the Brazos Valley Groundwater Conservation District Board to be a representative of the City of College Station, which must be appointed by the City Council and approved by the Brazos County Commissioners Court; and

WHEREAS, The term of the City's current representative on the Brazos Valley Groundwater Conservation District Board, Mr. Bill Harris, expires on 31 December 2014; and

WHEREAS, The City Council is confident that Mr. Harris will continue to fairly and accurately represent the interests of College Station and all municipalities and water users within the Brazos Valley District, and the City Council pledges that Mr. Harris will give adequate time and resources to fulfill every obligation and duty of Board membership; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

PART 1: That the City Council hereby agrees that membership on the Brazos Valley Groundwater Conservation District Board is essential in meeting the City's Utility Goals.

PART 2: That the City Council hereby re-appoints Mr. Bill Harris as the City's representative to fill the voting member position representing the City of College Station with the Brazos Valley Groundwater Conservation District Board of Directors, which expires on December 31, 2017.

PART 3: That this Resolution shall take effect immediately.

PART 4: That the City Council hereby requests the Brazos County Commissioners Court approve this appointment.

ADOPTED this ____ day of October, A.D. 2014.

ATTEST:

APPROVED:

City Secretary

Mayor

APPROVED:

City Attorney



Legislation Details (With Text)

File #:	14-747	Version:	1	Name:	Investment Policy and Strategy Resolution
Type:	Presentation	Status:		Status:	Consent Agenda
File created:	10/3/2014	In control:		In control:	City Council Regular
On agenda:	10/20/2014	Final action:		Final action:	
Title:	Presentation, possible action and discussion on a resolution stating that the City Council has reviewed and approved the City's Investment Policy, Broker-Dealer List and Investment Strategy.				
Sponsors:	Jeff Kersten				
Indexes:					
Code sections:					
Attachments:	Investment Policy 2015.pdf Resolution - Investment Policy FY14.pdf				

Date	Ver.	Action By	Action	Result
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Presentation, possible action and discussion on a resolution stating that the City Council has reviewed and approved the City's Investment Policy, Broker-Dealer List and Investment Strategy.

Recommendation(s): Staff recommends review and approval of the resolution.

Summary: The Public Funds Investment Act requires an annual review and approval of the City's investment policy and investment strategies. The Act further requires the following:

- (1) that the governing body adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies, and
- (2) that the written instrument so adopted records any changes to either the investment policy or investment strategies.

The City's investment policy has been reviewed and certified by the Government Treasurers Organization of Texas (GTOT). GTOT's review committee did not recommend changes to the City's policy. City GTOT's letter of distinction is attached. Staff proposes no changes to the existing investment strategy.

An annual review of the City's authorized broker/dealers was performed. There are no changes to this list.

Firms approved to do business with the City are:

- o Costal Securities, Inc.
- o Vining Sparks
- o Deutsche Bank Alex Brown
- o First Southwest Securities
- o First Empire Securities

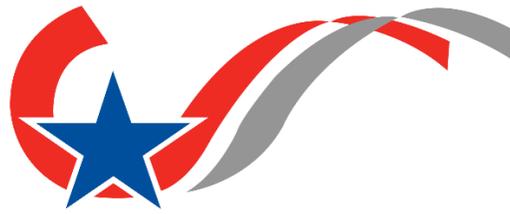
As part of the City's Investment Policy, Council is to review, approve and adopt any modifications to the list.

Budget & Financial Summary: None

Reviewed and Approved by Legal: Yes

Attachments:

1. Investment Policy and Strategy
2. Resolution



CITY OF COLLEGE STATION
Home of Texas A&M University®

Investment Strategy and Policy

2015

Approved by Council

October XX, 2014

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INVESTMENT STRATEGY

The City of College Station will pursue a passive investment strategy. Investments will be purchased with the intent of holding to maturity and will only be sold early under exceptional circumstances. In purchasing investments, the investment officer will attempt to follow a ladder strategy to ensure that the portfolio will have at least one investment maturing every month. Investment priorities are as follows:

1. **Suitability** - Any investment allowed under the Investment Policy is suitable.
2. **Preservation and Safety of Principal** - Investments of the City shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.
3. **Liquidity** - The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operational requirements that might reasonably be anticipated.
4. **Marketability** - Investments should have an active and efficient secondary market to enable the City to liquidate investments prior to the maturity if the need should arise.
5. **Diversification** - The Investment Officer will attempt to maintain a diversified portfolio with regard to security type, financial institution providing the security, and maturity.
6. **Yield** - The City's investment portfolio shall be designed with the objective of attaining the maximum rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints and the cash flow characteristics of the portfolio.

CITY OF COLLEGE STATION

INVESTMENT POLICY

The Public Funds Investment Act, Chapter 2256, Texas Government Code, as Amended ("PFIA" herein), requires each city to adopt rules governing its investment practices and to define the authority of the investment officer. The following Investment Policy addresses the methods, procedures, and practices that must be exercised to ensure effective and judicious fiscal management of the City of College Station funds.

I. POLICY

It is the policy of the City of College Station, Texas ("City") to invest public funds in a manner, which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all federal, state and local statutes governing the investment of public funds.

II. SCOPE

This investment policy applies to all the financial assets held by the City. These funds are defined in the City's Comprehensive Annual Financial Report (CAFR) and include:

General Fund	Special Revenue Funds
Debt Service Fund	Capital Projects Funds
Enterprise Funds	Internal Service Funds

Any new funds created by the City will be subject to this policy unless specifically exempted by the City Council. To maximize the effective investment of assets, all funds mentioned above will pool their cash balances for investment purposes. The income derived from investing activities will be distributed to the various funds based on calculation of their average balances.

III. INVESTMENT OBJECTIVES

The City of College Station shall manage and invest its cash with three primary objectives, listed in order of priority: **safety, liquidity and yield**. The safety of the principal invested always remains the primary objective.

Safety

Safety of Principal is the foremost objective of the City. Investments of the City shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.

Liquidity

The City's investment portfolio will remain liquid to enable the City to meet all operational requirements that might reasonably be anticipated.

Yield

The City shall invest funds in investments that earn a competitive market yield consistent with stated objectives. For bond proceeds to which arbitrage restrictions apply, the primary objectives shall be to obtain a fair market yield and to minimize the costs associated with the investment of such funds within the constraints of the investment policy and applicable bond covenants.

IV. RESPONSIBILITY AND CONTROL

Delegation of Authority

The Assistant City Manager or his Designee is designated the City's Investment Officer. The Investment Officer shall be responsible for the investment of funds consistent with this Policy, and shall have the authority necessary to carry out such responsibilities. An investment committee consisting of the Investment Officer and at least two other staff members designated by the City Manager will also be formed. This committee will be responsible for selecting eligible broker/dealers, reviewing, and updating the investment policy annually. All participants in the investment process shall seek to act responsibly as custodians of the public trust.

The Investment Officer shall establish written procedures for the operation of the investment program consistent with this investment policy. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer. The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

Cash Flow Analysis

Supplemental to the financial and budgetary systems, the Investment Officer will maintain a cash flow forecasting process designed to monitor and forecast cash positions for investment purposes. Cash flow analysis will include the historical researching and monitoring of specific cash flow items, payables and receivables as well as overall cash position and patterns.

Training Requirement

In order to ensure the quality and capability of investment management, the Assistant City Manager and the Investment Officer shall:

- attend at least one training session within 12 months of assuming duties *and* containing not less than 10 hours of instruction from an independent source approved by the governing board or a designated investment committee;
- receive training which includes education in investment controls, security risks, strategy risks, market risks, *diversification of the investment portfolio*, and compliance with the PFIA; and
- attend a training session not less than once each state fiscal biennium (beginning on the first day of the fiscal year and consisting of two consecutive fiscal years after that date) and receive not less than 10 hours of training from an independent source approved by the governing board or a designated investment committee.

Internal Controls

The Investment Officer shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures. Annually, the City's independent auditors will review quarterly reports for the fiscal year.

Prudence

Investments shall be made with the judgment and care which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the City Manager any material financial interest in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City, particularly with regard to the time of purchases and sales. Employees and investment officials shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of the City.

On an annual basis, the Investment officials shall sign a statement acknowledging that they are in compliance with Section 2256.005 (i) of the Public Funds Investment Act.

V. SUITABLE AND AUTHORIZED INVESTMENTS

Portfolio Management

The City currently has a “buy and hold” portfolio strategy. Maturity dates are matched with cash flow requirements and investments are purchased with the intent to be held until maturity.

Investments

Acceptable investments under this policy shall be limited to the instruments as described by the Government Code; Chapter 2256, Sections 2256.009 through 2256.011 and Sections 2256.013 through 2256.016 of the Public Funds Investment Act. Investment of funds in any instrument or security not authorized for investment under the Act is prohibited.

• **Authorized**

1. Direct obligations of the United States government: U.S. Treasury Bills, U.S. Treasury Notes, and U.S. Treasury Bonds as well as Bonds or other interest bearing obligations for which the principal and interest are guaranteed by the full faith and credit of the United States government and rated not less than A or its equivalent by at least one nationally recognized investment rating firm.
2. Federal Agencies and Instrumentalities including but not limited to, discount notes, callables and debentures of the Federal National Mortgage Association (FNMA), the Federal Home Loan Bank (FHLB), the Federal Farm Credit Bank (FFCB), and the Federal Home Loan Mortgage Corporation (FHLMC).
3. Time Certificates of Deposit, insured by the Federal Deposit Insurance Corporation (FDIC) or its successor, or the National Credit Union Share Insurance Fund or its successor, in state or national banks. Any deposits exceeding FDIC insurance limits shall be collateralized at 102% of the face amount of the Certificate of Deposit by securities listed in 1 - 2 above and held by the City's custodial bank or the custodial bank of the institution the CD's are held. Bids for Certificates of Deposit may be solicited orally, in writing, electronically or using any combination of these methods.
4. Repurchase Agreements with a defined termination date of 90 days or less collateralized by a combination of cash and securities listed in 1 - 2 above. Collateral must have a minimum market value of 102% of the repurchase agreement, and must be held by the custodian bank or other independent third-party custodian contracted by the City. Bond proceeds may be invested in flexible repurchase agreements with maturity dates not exceeding the expected final project expenditure if a formal bidding process is followed and properly documented for IRS purposes.

5. Commercial Paper maturing within 180 days carrying a minimum rating not less than A-1 or P-1 or equivalent by two nationally recognized rating agencies, or; rated not less than A-1 or P-1 equivalent by one nationally recognized rating agency plus secured by an irrevocable letter of credit issued by a domestic bank.
6. AAA-rated Money Market Mutual Funds registered with the Securities and Exchange Commission that invest exclusively in investments described in this section.
7. AAA-rated Investment Pools organized under the Texas Interlocal Cooperation Act that follow the requirements in the Public Funds Investment Act and which have been specifically approved by the City.

- **Not Authorized**

The following security types are not permitted:

1. Obligations whose payment represents the coupon payments of the underlying mortgage-backed security collateral and pays no principal (IO's);
2. Obligations whose payment represents the principle stream from the underlying mortgage-backed security collateral and bears no interest (PO's);
3. Collateralized Mortgage Obligations (CMO's) that have a stated final maturity date of greater than 10 years; and
4. Any security, the interest rate of which is determined by an index that adjusts opposite to the changes in the Market index (inverse floaters).

Exemption for Existing Investments

Any investment, which was authorized at the time of purchase, shall not be required to be liquidated.

Loss of Required Rating

If any security that requires a minimum investment rating is downgraded below that minimum rating subsequent to purchase, it will no longer be considered an authorized investment. As a result, the City shall take all prudent measures to liquidate the security in effort to preclude or reduce principle loss. The City will select a different approved broker/dealer each quarter to verify the ratings of securities held. Local Government Pools ratings will be verified quarterly by checking their websites.

VI. INVESTMENT PARAMETERS

Maximum Maturities

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five years from the date of purchase. Additionally, the City will maintain a dollar-weighted average maturity of two years or less.

Diversification

It is the intent of the City to diversify the investment instruments within the portfolio to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities. The asset allocation in the portfolio should be flexible depending upon the outlook for the economy and the securities markets. If conditions warrant, the guidelines below may be exceeded by approval of the Investment Committee.

With the exception of U.S. Treasury securities, authorized pools, and the City's depository accounts, the City may not invest more than 30% of the City's investment portfolio with a single financial institution. In addition, the following maximum limits, by instrument, are established for the City's total portfolio:

1. U.S. Treasury Securities	100%
2. Agencies and Instrumentalities	70%
3. Certificates of Deposits	40%
4. Money Market Mutual Funds	30%
5. Repurchase Agreements	20%
6. Commercial Paper	20%
7. Authorized Pools	70%

VII. FINANCIAL INSTITUTIONS AND DEALERS

Depository

At least every three to five years a Depository shall be selected through the City's banking services procurement process, which shall include a formal request for application (RFA). The selection of a depository will be determined by competitive bid and evaluation of bids will be based on the following selection criteria:

- The ability to qualify as a depository for public funds in accordance with state and local laws.
- The ability to provide requested information or financial statements for the period specified.

- The ability to meet all requirements in the banking RFA.
- Complete response to all required items on the bid form.
- Lowest net banking service cost, consistent with the ability to provide an appropriate level of service.
- The credit worthiness and financial stability of the bank.

The bank depository contract is subject to Council approval. During the term of the contract, additional accounts may be established. The City may open a cash money market account with its approved depository bank. Accounts held by the approved bank are to be collateralized at no less than 105%. Two authorized signers on the City's accounts must approve the establishment of new accounts.

Authorized Brokers/Dealers

The Investment Officer shall maintain a list of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment services in the State of Texas. These may include "primary" or regional dealers that qualify under SEC rule 15C3-1. No public deposit shall be made except in a qualified public depository as established by state laws.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Investment Officer with a completed Broker/Dealer Questionnaire and Certification, which shall include the following:

- An audited financial statement for the most recent period.
- Proof of certification by the Financial Industry Regulatory Authority (FINRA).
- Proof of current registration with the State Securities Commission.

Financial institutions eligible to transact investment business with the City shall be presented a written copy of this Investment Policy.

Additionally, the qualified representative of the business organization seeking to transact investment business shall execute a written instrument substantially to the effect that the qualified representative has received and reviewed this Investment Policy, and acknowledged that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities with the City.

The City will not enter into an investment transaction with a Broker/Dealer prior to receiving the written agreement described above and current audited financial statements.

Annually, the Investment Committee shall review and revise the list as needed. The Committee will consider any new firms that have submitted the required documentation and review the performance of the previously approved firms. Any modifications to the list will be submitted to Council for their review, approval and adoption.

Competitive Bids

Securities will be purchased or sold after three (3) offers/bids are taken to verify that the City is receiving fair market value/price for the investment. Security transactions that may be purchased without competitive offers include: a) transactions with money market mutual funds b) local government investment pools and c) new securities still in syndicate and priced at par.

Delivery vs. Payment

All securities transaction, including collateral for repurchased agreements, shall be purchased using the delivery vs., payment method with the exception of investment pools and mutual funds. Funds will be released after notification that the purchased security has been received.

VIII. SAFEKEEPING OF SECURITIES

Safekeeping Agreement

The City shall contract with a bank or banks for the safekeeping of securities either owned by the City as part of its investment portfolio or held as collateral to secure demand or time deposits.

Safekeeping and Custody

Safekeeping and custody of securities and collateral shall be in accordance with state law. Securities and collateral will be held by a third party custodian designated by the Investment Officer and held in the City's name as evidenced by safekeeping receipts of the institution with which the securities are deposited. Original safekeeping receipts shall be obtained.

Collateralization

Consistent with the requirements of the Public Funds Collateral Act, it is the policy of the City to require full collateralization of all investments and funds on deposit with a depository bank, other than investments, which are obligations of the U.S. government, its agencies and instrumentalities, and government sponsored enterprises. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on deposits or investments less than an amount insured by the FDIC. The collateralization level of the City's depository accounts will be no less than 105%.

Collateral will always be held by an independent third party with whom the City has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and retained.

The right of collateral substitution is granted.

IX. PERFORMANCE STANDARDS

Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and cash flow needs.

Performance Benchmark

Given the passive investment strategy of the City, the benchmark to be used by the Investment Officer to determine whether market yields are being achieved shall be the average closing yield during the reporting period comparable to the portfolios dollar-weighted average maturity in days.

X. REPORTING

Methods

Not less than quarterly and within a reasonable time after the end of the period reported, the Investment Officer should prepare and submit to the City Council a written report of the investment transactions for all funds of the City for the preceding reporting period. The report must:

- describe in detail the investment position of the City on the date of the report,
- be prepared jointly by all the Investment Officers if the City appoints more than one,
- be signed by all Investment Officials,
- contain a summary statement of each pooled fund group that states the beginning market value for the reporting period,
- state the book value and the market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested,
- state the maturity date of each separately invested asset that has a maturity date,
- state the fund for which each individual investment was acquired,
- state all accrued interest payable; and
- state the compliance of the investment portfolio as it relates to this Policy and Investment Act.

Marking to Market

The market values of the City's investments shall be obtained from a reliable outside source, which has access to investment market values. Marketing to Market will be done at least quarterly.

XI. INVESTMENT POLICY ADOPTION

The City's investment policy and investment strategies must be adopted annually by resolution of the City Council even if there are no changes. The City Council shall review the policy annually and they must approve any changes or modifications made thereto.

QUALIFIED BROKERS/DEALERS

Costal Securities, Inc.

Tony Sekaly
5555 San Felipe, Suite 2200
Houston, Texas 77056
Phone: (713)435-4328

Deutsche Bank Alex Brown

700 Louisiana Street, Suite 1500
Houston, TX 77002
Phone: (832)239-3311

First Empire Securities

1100 Motor Parkway, 2nd Floor
Hauppauge, NY 11788
Phone: (631)979-0097

Vining Sparks

775 Ridge Lake Boulevard
Memphis, Tennessee 38120
Phone: (901)681-1008

First Southwest Securities

Linda Calloway
300 West 6th Street, Suite 1940
Austin, TX 78701
Phone: (512)481-2040

American Momentum (CD's only)

Five Momentum Blvd.
College Station, TX 77845
Phone: (979)599-9349

INVESTMENT POOLS

TexPool

600 Travis Street, Suite 7200
Houston, TX 77002
Phone: (866)891-7665

TexSTAR

325 North St. Paul, Suite 800
Dallas, TX 75201
Phone: (800)839-7827

DEPOSITORY BANK

Branch Banking & Trust (BB&T)

2717 Texas Avenue South
College Station, Texas 77840
(979)260-1482

GLOSSARY OF COMMON TREASURY TERMINOLOGY

Accrued Interest - The accumulated interest due on a bond as of the last interest payment made by the issuer.

Agency - A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally sponsored agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of federal agency is the Government National Mortgage Association (GNMA). An example of a FSA is the Federal National Mortgage Association (FNMA).

Amortization - The systematic reduction of the amount owed on a debt issue through periodic payments of principal.

Asked - The price at which securities are offered.

Average Life - The average length of time that an issue of serial bonds and/or term bonds with a mandatory sinking fund feature is expected to be outstanding.

Basis Point - A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of 1 percent of yield, e.g., "1/4" of 1 percent is equal to 25 basis points.

Bid - The indicated price at which a buyer is willing to purchase a security or commodity.

Book Value - The value at which a security is carried on the inventory lists or other financial records of an investor. The book value may differ significantly from the security's current value in the market.

Broker - A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not position. In the money market, brokers are active in markets in which banks buy and sell money and in interdealer markets.

Callable Bond - A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

Call Price - The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

Call Risk - The risk to a bondholder that a bond may be redeemed prior to maturity.

Cash Sale/Purchase - A transaction that calls for delivery and payment of securities on the same day that the transaction is initiated.

Certificate of Deposit (CD) – A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

Collateralization - Process by which a borrower pledges securities, property, or other deposits for the purpose of securing the repayment of a loan and/or security.

Commercial Paper - An unsecured short-term promissory note issued by corporations, with maturities ranging from 2 to 270 days.

Comprehensive Annual Financial Report (CAFR) – The official annual report for the City of College Station. It includes combined statements and basic financial statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provision, extensive introductory material, and a detailed statistical section.

Coupon Rate - The annual rate of interest received by an investor from the issuer of certain types of fixed-income securities. It is also known as the interest rate.

Credit Quality - The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

Credit Risk - The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

Current Yield (Current Return) - A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

Dealer – A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

Delivery Versus Payment (DVP) - A type of securities transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or his/her custodian.

Discount - The amount by which the par value of a security exceeds the price paid for the security.

Discount Security – Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g. U.S. Treasury Bills.

Diversification - A process of investing assets among a range of security types by sector, maturity, and quality rating.

Duration - A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

Fair Value - The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Federal Funds (Fed Funds) - Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed funds are considered immediately available funds.

Federal Funds Rate - Interest rate charged by one institution lending federal funds to the other.

Federal Credit Agencies – Agencies of the Federal Government set up to supply credit to various classes of institutions and individuals, e.g. S&L's small business firms, students, farmers, farm cooperatives, and exporters.

Federal Deposit Insurance Corporation (FDIC) – A federal agency that insures bank deposits, currently up to \$250,000 per depository account through December 31, 2013. On January 1, 2014, the standard insurance amount will return to \$100,000.

Federal Home Loan banks (FHLB) – The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role similar to that played by the Federal Reserve Bank versus member commercial banks.

Federal National Mortgage Association (FNMA) – A government –sponsored enterprise (GSE) that was created in 1938 to expand the flow of mortgage money by creating a secondary mortgage market. Fannie Mae is a publicly traded company which operates under a congressional charter that directs Fannie Mae to channel its efforts into increasing the availability and affordability of homeownership for low-, moderate-, and middle-income Americans.

Federal Open Market Committee (FOMC) – Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

Federal Reserve System – The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

Financial Industry Regulatory Authority (FINRA) - A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

Government Securities - An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, and Bonds."

Interest Rate - See "Coupon Rate."

Interest Rate Risk - The risk associated with declines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value.

Internal Controls - An internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management. Internal controls should address the following points:

- **Control of collusion** - Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
- **Separation of transaction authority from accounting and record keeping** - By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
- **Custodial safekeeping** - Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.

Inverted Yield Curve - A chart formation that illustrates long-term securities having lower yields than short-term securities. This configuration usually occurs during periods of high inflation coupled with low levels of confidence in the economy and a restrictive monetary policy.

Investment Policy - A concise and clear statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

Liquidity - An asset that can be converted easily and quickly into cash.

Local Government Investment Pool (LGIP) - An investment by local governments in which their money is pooled as a method for managing local funds.

Mark-to-market - The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

Market Risk - The risk that the value of a security will rise or decline as a result of changes in market conditions.

Market Value - Current market price of a security.

Maturity - The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See "Weighted Average Maturity."

Money Market – The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

Money Market Mutual Fund - Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos and federal funds).

Mutual Fund - An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the Investment Company Act of 1940.

Net Asset Value - The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets that includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below.) $[(\text{Total assets}) - (\text{Liabilities})] / (\text{Number of shares outstanding})$

Nominal Yield - The stated rate of interest that a bond pays its current owner, based on par value of the security. It is also known as the "coupon," "coupon rate," or "interest rate."

Offer - An indicated price at which market participants are willing to sell a security or commodity. Also referred to as the "Ask price."

Par - Face value or principal value of a bond, typically \$1,000 per bond.

Portfolio – Collection of securities held by an investor.

Positive Yield Curve - A chart formation that illustrates short-term securities having lower yields than long-term securities.

Premium - The amount by which the price paid for a security exceeds the security's par value.

Prime Rate - A preferred interest rate charged by commercial banks to their most creditworthy customers. Many interest rates are keyed to this rate.

Principal - The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

Prospectus - A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC. This can include information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements.

Prudent Person Rule - An investment standard outlining the fiduciary responsibilities of public funds investors relating to investment practices.

Rate of Return – The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Reinvestment Risk - The risk that a fixed-income investor will be unable to reinvest income proceeds from a security holding at the same rate of return currently generated by that holding.

Repurchase Agreement (repo or RP) - An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.

Reverse Repurchase Agreement (Reverse Repo) - An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified date.

Rule 2a-7 of the Investment Company Act - Applies to all money market mutual funds and mandates such funds to maintain certain standards, including a 13- month maturity limit and a 90-day average maturity on investments, to help maintain a constant net asset value of one dollar (\$1.00).

Safekeeping - Holding of assets (e.g., securities) by a financial institution.

Secondary Market – A market made for the purchase and sale of outstanding issues following the initial distribution.

Securities & Exchange Commission – Agency created by Congress to protect investors in securities transactions by administering securities legislation.

Serial Bond - A bond issue, usually of a municipality, with various maturity dates scheduled at regular intervals until the entire issue is retired.

Sinking Fund - Money accumulated on a regular basis in a separate custodial account that is used to redeem debt securities or preferred stock issues.

Swap - Trading one asset for another.

Term Bond - Bonds comprising a large part or all of a particular issue which come due in a single maturity. The issuer usually agrees to make periodic payments into a sinking fund for mandatory redemption of term bonds before maturity.

Total Return - The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period. $(\text{Price Appreciation}) + (\text{Dividends paid}) + (\text{Capital gains}) = \text{Total Return}$

Treasury Bills - Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of \$10,000. Auctions of three- and six-month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

Treasury Bonds – Marketable, fixed-interest U.S. government debt securities with maturities of more than ten years and issued in minimum denominations of \$1,000. Treasury bonds make interest payments semi-annually and the income that holders received is only taxed at the federal level.

Treasury Notes - Marketable U.S. government debt securities with fixed interest rates and maturities between 1 to 10 years. Treasury notes can be bought either directly from the U.S. government or through banks.

Uniform Net Capital Rule - SEC Rule 15C3-1 – Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1: also called net capital rule and net capital ratio. Indebtedness covers all money owned to a firm, including margin loans and commitments to purchase securities. This is one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

Volatility - A degree of fluctuation in the price and valuation of securities.

Volatility Risk Rating - A rating system to clearly indicate the level of volatility and other non-credit risks associated with securities and certain bond funds. The ratings for bond funds range from those that have extremely low sensitivity to changing market conditions and offer the greatest stability of the returns ("aaa" by S&P; "V-1" by Fitch) to those that are highly sensitive with currently identifiable market volatility risk ("ccc-" by S&P, "V-10" by Fitch).

Weighted Average Maturity (WAM) - The average maturity of all the securities that comprise a portfolio. According to SEC rule 2a-7, the WAM for SEC registered money market mutual funds may not exceed 90 days and no one security may have a maturity that exceeds 397 days.

Yield - The current rate of return on an investment security generally expressed as a percentage of the security's current price.

Yield-to-call (YTC) - The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date. **Yield Curve** - A graphic representation that depicts the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity. A normal yield curve may be alternatively referred to as a positive yield curve.

Yield-to-maturity - The rate of return yielded by a debt security held to maturity when both interest payments and the investor's potential capital gain or loss are included in the calculation of return.

Zero-coupon Securities - Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS, APPROVING THE CITY'S INVESTMENT POLICY, BROKER/DEALER LIST AND INVESTMENT STRATEGY FOR FISCAL YEAR 2015 AND AUTHORIZING ITS IMPLEMENTATION.

WHEREAS, the goal of the City of College Station is to create an Investment Policy to insure the safety of all funds entrusted to the City, while making available those funds for the payment of all necessary obligations of the City, and providing for the investment of all funds not immediately required in interest bearing securities; and

WHEREAS, the safety of the principal invested shall always be the primary concern of the City of College Station; and

WHEREAS, the management of monies in order to insure maximum cash availability and maximum yields on a short term investment is a primary goal of the City of College Station; and

WHEREAS, the Investment Policy for Fiscal Year 2015 designates the Assistant City Manager or his Designee as the Investment Officer of the City and authorizes the Investment Officer to carry out the responsibilities of investing the City's funds; and

WHEREAS, the Investment Policy for Fiscal Year 2015 contains the City's Collateral Policy as required pursuant to Texas Government Code, Chapter 2257.

WHEREAS, the City Council of the City of College Station has reviewed the City's Investment Policy for Fiscal Year 2015, Broker/Dealer List for Fiscal Year 2015 and the City's Investment Strategy for Fiscal Year 2015; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

PART 1: That the City Council hereby approves the City's Investment Policy, Broker/Dealer List and the Investment Strategy for Fiscal Year 2015.

PART 2: That the City Council hereby approves the designation of the Assistant City Manager or his Designee as the Investment Officer of the City and authorizes the Investment Officer to carry out the responsibilities of investing the City's funds consistent with the City's Investment Policy.

PART 3: That this resolution shall take effect immediately from and after its passage.

ADOPTED this _____ day of _____, A.D. 2014.

ATTEST:

APPROVED:

City Secretary

Mayor

APPROVED:

City Attorney



Legislation Details (With Text)

File #: 14-748 **Version:** 1 **Name:** Graham Road Rehabilitation Design Contract
Type: Contract **Status:** Consent Agenda
File created: 10/5/2014 **In control:** City Council Regular
On agenda: 10/20/2014 **Final action:**
Title: Presentation, possible action, and discussion on a Professional Services Contract with Binkley & Barfield, Inc. in the amount of \$144,820 for professional services associated with the Graham Road Rehabilitation Project.
Sponsors: Donald Harmon
Indexes:
Code sections:
Attachments: [Graham Road Map.pdf](#)

Date	Ver.	Action By	Action	Result
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Presentation, possible action, and discussion on a Professional Services Contract with Binkley & Barfield, Inc. in the amount of \$144,820 for professional services associated with the Graham Road Rehabilitation Project.

Relationship to Strategic Goals:

- Core Services and Infrastructure

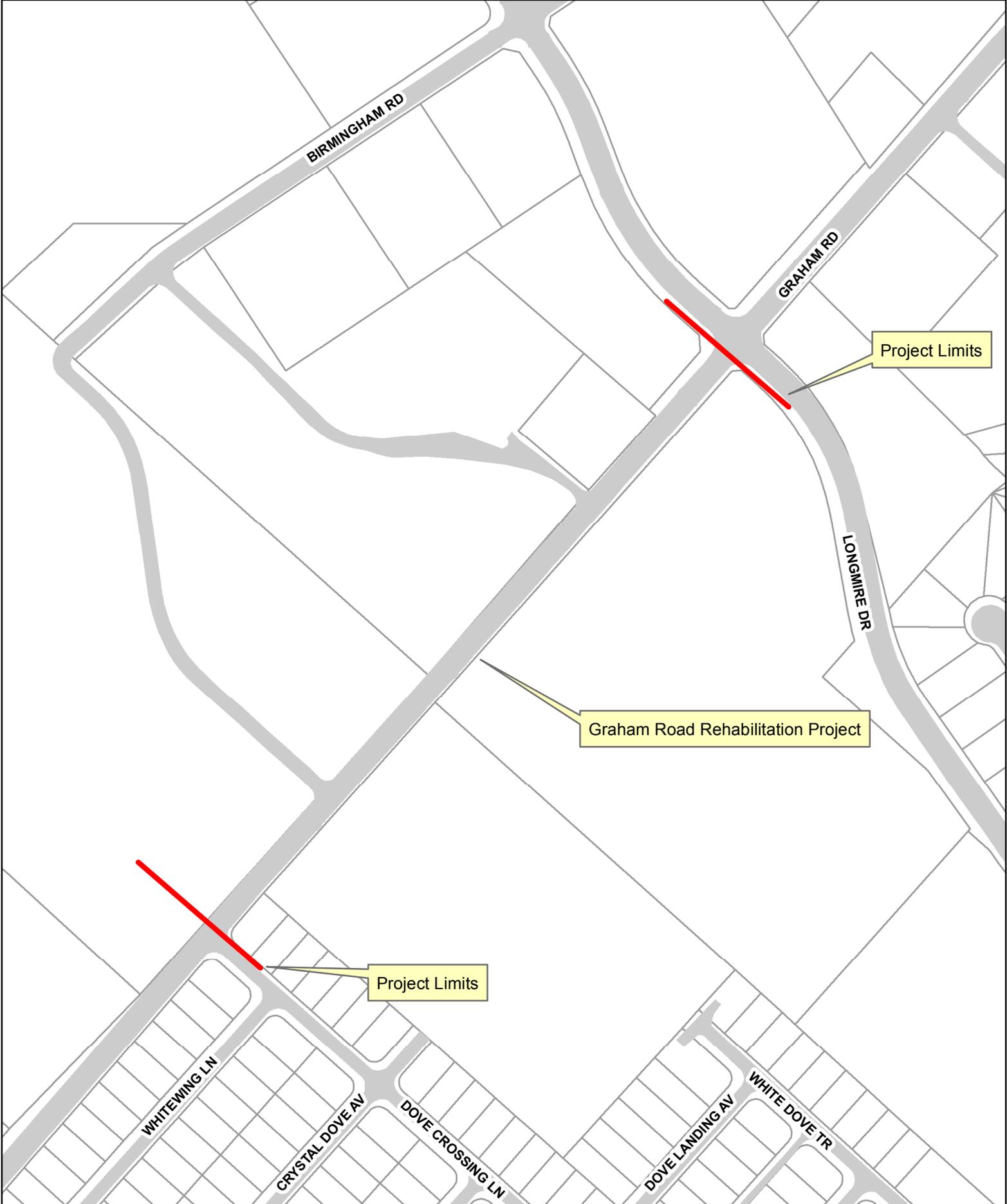
Recommendation(s): Staff recommends approval of the professional services contract.

Summary: The scope of this contract is for professional services associated with the rehabilitation of Graham Road between Longmire Drive and Dove Crossing. Pavement sub-grade issues have caused significant roadway shifting in this area. Binkley & Barfield will also address sewer rehabilitation/replacement under this section of Graham Road.

Budget & Financial Summary: Funds in the amount of \$1,060,000 are budgeted for this project in the Wastewater Capital Improvement and Streets Capital Improvement Projects Funds.

Attachments:

1. Contract - On file in the City Secretary's Office
2. Project Location Map





Legislation Details (With Text)

File #:	14-749	Version:	1	Name:	Munson Avenue Rehabilitation Project Design Contract
Type:	Contract	Status:		Status:	Consent Agenda
File created:	10/5/2014	In control:		In control:	City Council Regular
On agenda:	10/20/2014	Final action:		Final action:	
Title:	Presentation, possible action, and discussion on a professional services contract with Binkley and Barfield, Inc. in the amount of \$377,470 for professional engineering services related to the Munson Avenue Rehabilitation Project.				
Sponsors:	Donald Harmon				
Indexes:					
Code sections:					
Attachments:	Munson Rehab Location Map.pdf				

Date	Ver.	Action By	Action	Result
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Presentation, possible action, and discussion on a professional services contract with Binkley and Barfield, Inc. in the amount of \$377,470 for professional engineering services related to the Munson Avenue Rehabilitation Project.

Relationship to Strategic Goals:

- Core Services and Infrastructure

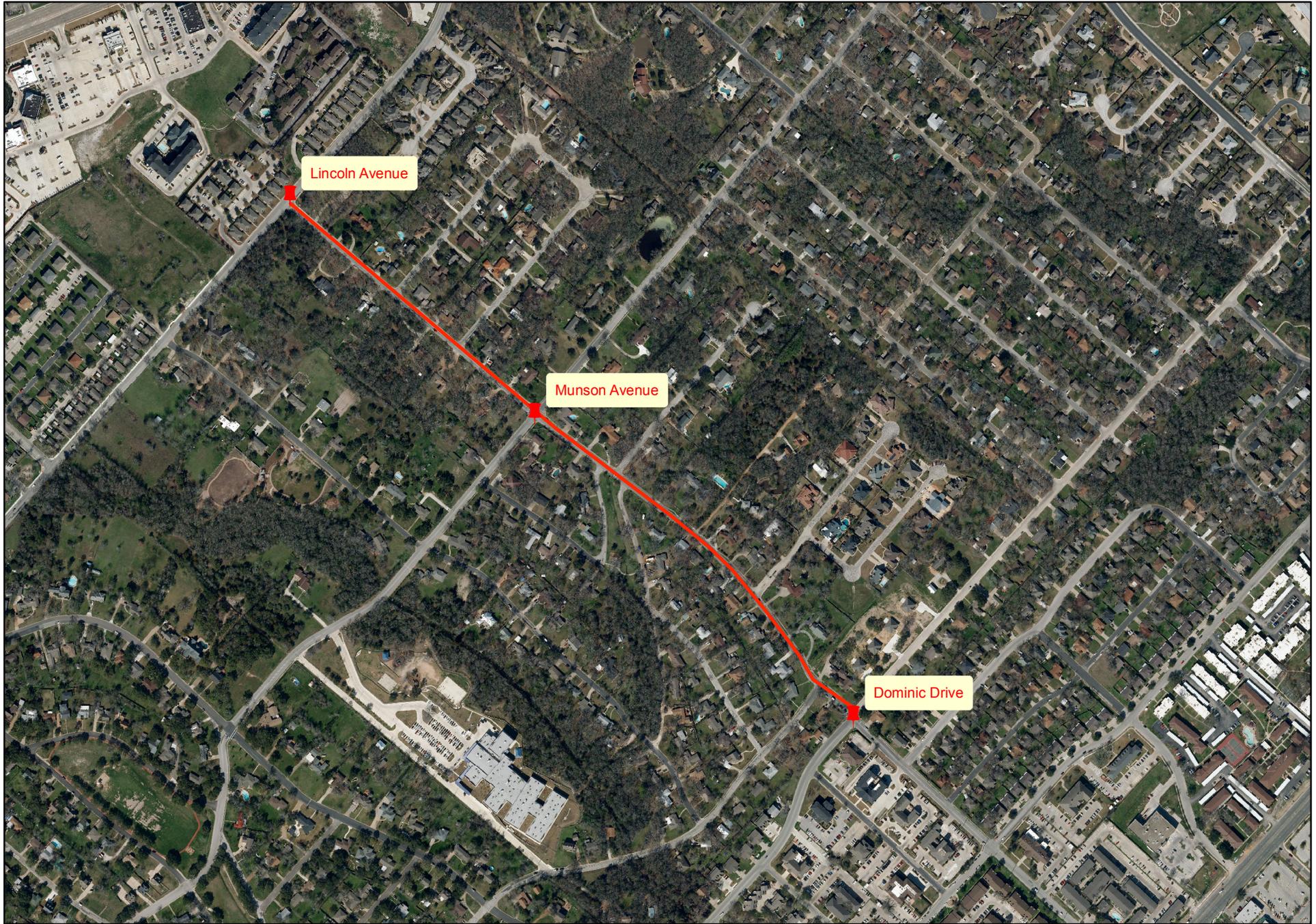
Recommendation(s): Staff recommends approval of the professional services contract.

Summary: The Munson Avenue Rehabilitation Project will rehabilitate Munson Avenue from Lincoln Avenue to Dominic Drive, approximately 3,400 linear feet. In addition to rehabilitating the pavement, the water and waste water lines within the project limits will be replaced, and a section of underground duct bank for future electrical utilities will be installed.

Budget & Financial Summary: A total project budget of \$2,585,000 is included for this project in the Streets Capital Improvement Projects Fund, Water Capital Improvement Projects Fund and the Wastewater Capital Improvement Projects Fund. Design of the project is scheduled for FY15 with construction scheduled for FY16.

Attachments:

1. Contract on file in the City Secretary's Office
2. Project Map



Munson Avenue Rehabilitation



Legislation Details (With Text)

File #:	14-750	Version:	1	Name:	Roadway Markings Contract Renewal
Type:	Renewal	Status:		Status:	Consent Agenda
File created:	10/5/2014	In control:		In control:	City Council Regular
On agenda:	10/20/2014	Final action:		Final action:	
Title:	Presentation, possible action and discussion regarding the renewal of Contract No. 14-017 (ITB No. 14-006) for annual pavement markings and striping of roadways in an amount not to exceed \$150,000.				
Sponsors:	Donald Harmon				
Indexes:					
Code sections:					
Attachments:	COCS Renewal Contract 1.pdf				

Date	Ver.	Action By	Action	Result
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Presentation, possible action and discussion regarding the renewal of Contract No. 14-017 (ITB No. 14-006) for annual pavement markings and striping of roadways in an amount not to exceed \$150,000.

Relationship to Strategic Goals:

- Core Services and Infrastructure
- Improving Mobility

Recommendation(s): Staff recommends approval of Contract No. 14-017 renewal for roadway markings to DIJ Construction Incorporated of Bertram, Texas. This is the first of two renewal options for a one year period. This contract amount not to exceed \$150,000.

Summary: After a segment of roadway is reconstructed or rehabilitated the pavement markings to delineate the travel lanes, bike lanes, stop bars, etc. must be reinstalled. City staff relies on the expertise and the resources of specialty contractors to perform this work. This contract will also provide a way for the City to maintain existing roadway markings, which guide, warn and regulate road users.

DIJ Construction exercised their option to increase the original bid price by ten percent which is the maximum amount allowed under this contract. This contract will be for a one year period starting November 25, 2014 through November 24, 2015.

Budget & Financial Summary: Funding for the Annual Blanket Purchase Order for the installation of roadway markings is provided in the annual Traffic Operations Budget.

Attachments:

1. Renewal Form
2. Contract No. 14-017 is on file in the City Secretary's Office

RENEWAL (1) ACCEPTANCE

By signing herewith, I acknowledge and agree to renew Contract No. 14-017 (ITB No. 14-006) for Annual Traffic Pavement Striping and Marking Services in accordance with all terms and conditions previously agreed to and accepted for an amount not to exceed One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00).

I understand this renewal term will be for a one year period beginning November 25, 2014 through November 24, 2015. This is the first of two renewal options.

Special Condition

This renewal includes a 10% increase to the original unit bid prices for all contract items on the attached list. Unit prices bid under the original contract may, by mutual agreement, be increased by no more than ten percent (10%) of the original contract price.

DIJ CONSTRUCTION, INC.

CITY OF COLLEGE STATION

By: 
Printed Name: Tim D JARMA
Title: VICE PRESIDENT / ESTIMATOR
Date: 9/25/14

By: _____
City Manager
Date: _____

APPROVED:

City Attorney
Date: _____

Asst. City Manager/CFO
Date: _____



"Annual Traffic Pavement Striping and Marking Services"
Contract 14-017
Renewal 1 Pricing

ITEM	QTY	UNIT	DESCRIPTION	Original Bid/Contract Price		Renewal 1 Prices (+10%)	
				UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
BASE BID							
1	12,000	LF	REFL PAV MRK TY I (W) 4" (BRK) (090MIL)	\$0.55	\$6,600.00	\$0.61	\$7,260.00
2	20,000	LF	REFL PAV MRK TY I (W) 4" (SLD) (090MIL)	\$0.55	\$11,000.00	\$0.61	\$12,100.00
3	3,500	LF	REFL PAV MRK TY I (W) 4" (DOT) (090MIL)	\$1.00	\$3,500.00	\$1.10	\$3,850.00
4	20,000	LF	REFL PAV MRK TY I (W) 6" (SLD) (090MIL)	\$0.75	\$15,000.00	\$0.83	\$16,500.00
5	5,000	LF	REFL PAV MRK TY I (W) 8" (SLD) (090MIL)	\$0.90	\$4,500.00	\$0.99	\$4,950.00
6	10,000	LF	REFL PAV MRK TY I (W) 12" (SLD) (125MIL)	\$3.00	\$30,000.00	\$3.30	\$33,000.00
7	5,000	LF	REFL PAV MRK TY I (W) 18" (SLD) (125MIL)	\$3.00	\$15,000.00	\$3.30	\$16,500.00
8	4,500	LF	REFL PAV MRK TY I (Y) 4" (BRK) (090MIL)	\$0.65	\$2,925.00	\$0.72	\$3,217.50
9	5,000	LF	REFL PAV MRK TY I (Y) 4" (SLD) (090MIL)	\$0.65	\$3,250.00	\$0.72	\$3,575.00
10	4,500	LF	REFL PAV MRK TY I (W) 24" (SLD) (125MIL)	\$5.50	\$24,750.00	\$6.05	\$27,225.00
11	50,000	LF	REF PAV MRK TY II (W) 4" (BRK)	\$0.40	\$20,000.00	\$0.44	\$22,000.00
12	5,000	LF	REF PAV MRK TY II (W) 4" (DOT)	\$0.60	\$3,000.00	\$0.66	\$3,300.00
13	175,000	LF	REF PAV MRK TY II (W) 4" (SLD)	\$0.33	\$57,750.00	\$0.36	\$63,525.00
14	150,000	LF	REF PAV MRK TY II (W) 6" (SLD)	\$0.40	\$60,000.00	\$0.44	\$66,000.00
15	3,000	LF	REF PAV MRK TY II (W) 8" (SLD)	\$0.60	\$1,800.00	\$0.66	\$1,980.00
16	2,500	LF	REF PAV MRK TY II (W) 24" (SLD)	\$1.75	\$4,375.00	\$1.93	\$4,812.50
17	15,000	LF	REF PAV MRK TY II (Y) 4" (BRK)	\$0.35	\$5,250.00	\$0.39	\$5,775.00
18	45,000	LF	REF PAV MRK TY II (Y) 4" (SLD)	\$0.33	\$14,850.00	\$0.36	\$16,335.00
19	2,500	LF	REF PAV MRK TY II (Y) 24" (SLD)	\$0.80	\$2,000.00	\$0.88	\$2,200.00
20	9,600	SF	RF PAV MRK TY I (W) (LEGEND) (125MIL)	\$4.00	\$38,400.00	\$4.40	\$42,240.00
21	400	SF	RF PAV MRK TY I (Y) (LEGEND) (125MIL)	\$2.00	\$800.00	\$2.20	\$880.00
22	1,500	LF	REFL PAV MRK TY I (W) 4" (BRK) (090MIL) (CALLOUT)	\$1.00	\$1,500.00	\$1.10	\$1,650.00
23	2,500	LF	REFL PAV MRK TY I (W) 4" (SLD) (090MIL) (CALLOUT)	\$1.00	\$2,500.00	\$1.10	\$2,750.00
24	1,500	LF	REFL PAV MRK TY I (W) 8" (SLD) (090MIL) (CALLOUT)	\$2.00	\$3,000.00	\$2.20	\$3,300.00
25	2,500	LF	REFL PAV MRK TY I (W) 12" (SLD) (125MIL) (CALLOUT)	\$5.50	\$13,750.00	\$6.05	\$15,125.00
26	1,200	LF	REFL PAV MRK TY I (Y) 4" (BRK) (090MIL) (CALLOUT)	\$1.00	\$1,200.00	\$1.10	\$1,320.00
27	1,200	LF	REFL PAV MRK TY I (Y) 4" (SLD) (090MIL) (CALLOUT)	\$1.00	\$1,200.00	\$1.10	\$1,320.00
28	3,000	LF	REFL PAV MRK TY I (Y) 24" (SLD) (125MIL) (CALLOUT)	\$3.00	\$9,000.00	\$3.30	\$9,900.00
29	10,000	SF	RF PAV MRK TY I (W) (LEGEND) (125MIL) (CALLOUT)	\$4.00	\$40,000.00	\$4.40	\$44,000.00
30	1,000	SF	RF PAV MRK TY I (Y) (LEGEND) (125MIL) (CALLOUT)	\$2.25	\$2,250.00	\$2.48	\$2,475.00
31	25,000	LF	PAVEMENT SEALER 4"	\$0.25	\$6,250.00	\$0.28	\$6,875.00
32	20,000	LF	PAVEMENT SEALER 6"	\$0.35	\$7,000.00	\$0.39	\$7,700.00
33	8,000	LF	PAVEMENT SEALER 8"	\$0.45	\$3,600.00	\$0.50	\$3,960.00
34	15,000	LF	PAVEMENT SEALER 12"	\$1.00	\$15,000.00	\$1.10	\$16,500.00
35	8,000	LF	PAVEMENT SEALER 24"	\$2.00	\$16,000.00	\$2.20	\$17,600.00
36	9,600	SF	PAVEMENT SEALER (LEGEND)	\$1.00	\$9,600.00	\$1.10	\$10,560.00



"Annual Traffic Pavement Striping and Marking Services"
Contract 14-017
Renewal 1 Pricing

ITEM	QTY	UNIT	DESCRIPTION	Original Bid/Contract Price		Renewal 1 Prices (+10%)	
				UNIT PRICE	TOTAL PRICE	UNIT PRICE	TOTAL PRICE
37	10,000	LF	FIRE LANE STRIPING 6"	\$0.50	\$5,000.00	\$0.55	\$5,500.00
38	10,000	LF	NON-REFLECTORIZED TY II CURB MARKINGS	\$0.75	\$7,500.00	\$0.83	\$8,250.00
39	5,000	LF	NON-REFLECTORIZED TY II CURB MARKINGS WITH WORDS PER 15 FEET	\$1.00	\$5,000.00	\$1.10	\$5,500.00
40	25	EA	ADA TY II EMBLEM	\$30.00	\$750.00	\$33.00	\$825.00
41	25	EA	ADA TY II EMBLEM (BLUE BACKGROUND)	\$50.00	\$1,250.00	\$55.00	\$1,375.00
42	1,200	EA	REFL PAV MRKR TY I - A	\$1.00	\$1,200.00	\$1.10	\$1,320.00
43	1,200	EA	REFL PAV MRKR TY I - C	\$3.75	\$4,500.00	\$4.13	\$4,950.00
44	1,500	EA	REFL PAV MRKR TY II - A - A	\$3.75	\$5,625.00	\$4.13	\$6,187.50
45	1,500	EA	REFL PAV MRKR TY II - C - R	\$4.00	\$6,000.00	\$4.40	\$6,600.00
46	1,500	EA	TRAFFIC BUTTON TY W / Y	\$3.50	\$5,250.00	\$3.85	\$5,775.00
47	750	EA	REFL PAV MRKR TY I - A (CALLOUT)	\$1.00	\$750.00	\$1.10	\$825.00
48	750	EA	REFL PAV MRKR TY I - C (CALLOUT)	\$3.75	\$2,812.50	\$4.13	\$3,093.75
49	750	EA	REFL PAV MRKR TY II - A - A (CALLOUT)	\$3.75	\$2,812.50	\$4.13	\$3,093.75
50	750	EA	REFL PAV MRKR TY II - C - R (CALLOUT)	\$4.00	\$3,000.00	\$4.40	\$3,300.00
51	50	EA	REFL PAV MRKR TY II - B - B (CALLOUT)	\$10.00	\$500.00	\$11.00	\$550.00
52	15,000	LF	ELIM EXT PAV MRK & MRKS (4")	\$1.00	\$15,000.00	\$1.10	\$16,500.00
53	10,000	LF	ELIM EXT PAV MRK & MRKS (6")	\$0.75	\$7,500.00	\$0.83	\$8,250.00
54	10,000	LF	ELIM EXT PAV MRK & MRKS (8")	\$1.00	\$10,000.00	\$1.10	\$11,000.00
55	5,000	LF	ELIM EXT PAV MRK & MRKS (12")	\$1.50	\$7,500.00	\$1.65	\$8,250.00
56	10,000	LF	ELIM EXT PAV MRK & MRKS (18")	\$1.00	\$10,000.00	\$1.10	\$11,000.00
57	4,500	LF	ELIM EXT PAV MRK & MRKS (24")	\$3.00	\$13,500.00	\$3.30	\$14,850.00
58	1,500	EA	ELIM EXT (RAISED PAVEMENT MARKERS)	\$1.00	\$1,500.00	\$1.10	\$1,650.00
59	5,000	SF	ELIM EXT PAV MRK & MRKS (LEGEND)	\$3.00	\$15,000.00	\$3.30	\$16,500.00
60	2,000	LF	ELIM EXT PAV MRK & MRKS (4") (CALLOUT)	\$1.00	\$2,000.00	\$1.10	\$2,200.00
61	3,000	LF	ELIM EXT PAV MRK & MRKS (6") (CALLOUT)	\$1.00	\$3,000.00	\$1.10	\$3,300.00
62	2,500	LF	ELIM EXT PAV MRK & MRKS (8") (CALLOUT)	\$1.00	\$2,500.00	\$1.10	\$2,750.00
63	3,000	LF	ELIM EXT PAV MRK & MRKS (12") (CALLOUT)	\$1.70	\$5,100.00	\$1.87	\$5,610.00
64	2,500	LF	ELIM EXT PAV MRK & MRKS (18") (CALLOUT)	\$1.00	\$2,500.00	\$1.10	\$2,750.00
65	2,500	LF	ELIM EXT PAV MRK & MRKS (24") (CALLOUT)	\$3.50	\$8,750.00	\$3.85	\$9,625.00
66	1,500	EA	ELIM EXT (RAISED PAVEMENT MARKERS) (CALLOUT)	\$1.00	\$1,500.00	\$1.10	\$1,650.00
67	1,500	SF	ELIM EXT PAV MRK & MRKS (LEGEND) (CALLOUT)	\$4.00	\$6,000.00	\$4.40	\$6,600.00
68	50	EA	PREFORMED BIKE LANE SYMBOLS WITH VIZIGRIP (6') 90MIL (Includes 6' Straight Arrow)	\$280.00	\$14,000.00	\$308.00	\$15,400.00
GRAND TOTAL				\$633,900.00		\$697,290.00	



Legislation Details (With Text)

File #: 14-751 **Version:** 1 **Name:** Royder Sanitary Sewer Construction Change Order

Type: Change Order **Status:** Consent Agenda

File created: 10/5/2014 **In control:** City Council Regular

On agenda: 10/20/2014 **Final action:**

Title: Presentation, possible action and discussion regarding change order no. 1 with Kieschnick General Contractors, Inc., in the amount of \$77,150.68 for the Royder-Live Oak Sewer Extension Project (contract no. 14-170).

Sponsors: Donald Harmon

Indexes:

Code sections:

Attachments: [ChangeOrderForm - CO 1 20140918.pdf](#)
[Water-WW Maps Desktop royder.pdf](#)

Date	Ver.	Action By	Action	Result
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Presentation, possible action and discussion regarding change order no. 1 with Kieschnick General Contractors, Inc., in the amount of \$77,150.68 for the Royder-Live Oak Sewer Extension Project (contract no. 14-170).

Relationship to Strategic Goals:

- Core Services and Infrastructure

Recommendation(s): Staff recommends approval of change order no. 1 with Kieschnick General Contractors, Inc. in the amount of \$77,150.68.

Summary: This project includes the installation of approximately 8,900 linear feet of 12-inch and 1,100 linear feet of 8-inch gravity sanitary sewer along Royder Road, Live Oak Street, McCullough Road, Church Street, and Madison Street. The purpose of this change order adds and deducts items from the original contract. Additional excavation and the extension of a manhole riser piece was required to fulfill adequate separation between the sanitary sewer main and a gas pipeline. The contractor encountered a substantial rock formation along Royder Road that required the use of additional heavy equipment beyond the scope of the construction contract. The contractor also encountered unforeseen erosive soil conditions that were not noted in the geotechnical report prepared for this project. These soil conditions resulted in the continual failure and loss of the trench walls. Because the City requires the backfill of utility trenches under improved roads to be structurally reinforced and because the soil exhibited undesirable physical properties, the entire excavation was backfilled with cement stabilized sand. To prevent further soil issues, it has been proposed to Horizontal Directional Drill (HDD) the remaining section of sewer main under Live Oak Road, a total of 293 linear feet. The HDD will also allow the contractor to avoid an open trench excavation conflict with a major Verizon utility vault.

Budget & Financial Summary: The budget for this project is \$1,609,652. Funds in the amount of \$1,529,344.79 have been expended or committed to date, leaving a balance of \$80,307.21 for this change order and related expenditures.

Attachments:

1. Change Order No. 1
2. Project Location Map

CHANGE ORDER NO. 1 DATE: 9/17/2014 Contract No.: 14-029
P.O.#: 140527 PROJECT: Royder - Live Oak Sewer Extension

OWNER:
City of College Station
P.O. Box 9960
College Station, Texas 77844

CONTRACTOR:
Kieschnick General Contractors, Inc
1018 Peach Creek Cutoff Ph: (979) 690-0710
College Station, TX 77844 Fax: (979) 690-5611

PURPOSE OF THIS CHANGE ORDER:
A. Additional excavation and extension of a manhole to fulfill separation from gas pipeline
B. Additional required heavy equipment beyond scope of contract for substantial rock formation
C, 6, 15. Additional cement stabilized sand for erosive soils and substitute 293 LF of open trench (Item 6) for bore (Item 15) method

ITEM NO	UNIT	DESCRIPTION	UNIT PRICE	ORIGINAL QUANTITY	REVISED QUANTITY	ADDED COST
A	LS	Additional excavation and 2-foot manhole riser	\$1,380.00	0	1	\$1,380.00
B	LS	Trackhoe & Breaker	\$10,704.68	0	1	\$10,704.68
C	LS	Additional cement stabilized sand	\$60,671.00	0	1	\$60,671.00
6	LF	12-inch sewer line with stabilized backfill	\$95.00	2250	1957	(\$27,835.00)
15	LF	12-inch restrained sewer line by bore, no casing	\$110.00	420	713	\$32,230.00
					TOTAL	\$77,150.68

THE NET AFFECT OF THIS CHANGE ORDER IS 6.7 % INCREASE

LINE 1 (213-9111-974.55-01/WF1369908-002)	\$77,150.68	
LINE 2		
LINE 3		
TOTAL CHANGE ORDER	\$77,150.68	
ORIGINAL CONTRACT AMOUNT	\$1,156,890.50	
CHANGE ORDER NO. 1	\$77,150.68	6.7 % CHANGE
CHANGE ORDER NO. 2		0.0 % CHANGE
REVISED CONTRACT AMOUNT	\$1,234,041.18	6.7 % TOTAL CHANGE
ORIGINAL CONTRACT TIME		Days
Time Extension No. 1	N/A	Days
Revised Contract Time	0	Days
SUBSTANTIAL COMPLETION DATE		
REVISED SUBSTANTIAL COMPLETION DATE		

APPROVED

A/E CONTRACTOR Date

DEPARTMENT DIRECTOR Date

CONSTRUCTION CONTRACTOR Date

ASST CITY MGR - CFO Date

PROJECT MANAGER Date

CITY ATTORNEY Date

CITY ENGINEER Date

CITY MANAGER Date

Royder-Live Oak Sewer Extension





Legislation Details (With Text)

File #: 14-752 **Version:** 1 **Name:** Well Field Collection System Loop
Type: Contract **Status:** Consent Agenda
File created: 10/5/2014 **In control:** City Council Regular
On agenda: 10/20/2014 **Final action:**
Title: Presentation, possible action, and discussion on a professional services contract with Freese & Nichols, Inc. in the amount of \$148,400 for professional services associated with the Well Field Collection System Loop Project.
Sponsors: Donald Harmon
Indexes:
Code sections:
Attachments: [Well Field Collection Loop.pdf](#)

Date	Ver.	Action By	Action	Result
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Presentation, possible action, and discussion on a professional services contract with Freese & Nichols, Inc. in the amount of \$148,400 for professional services associated with the Well Field Collection System Loop Project.

Relationship to Strategic Goals:

- Core Services and Infrastructure

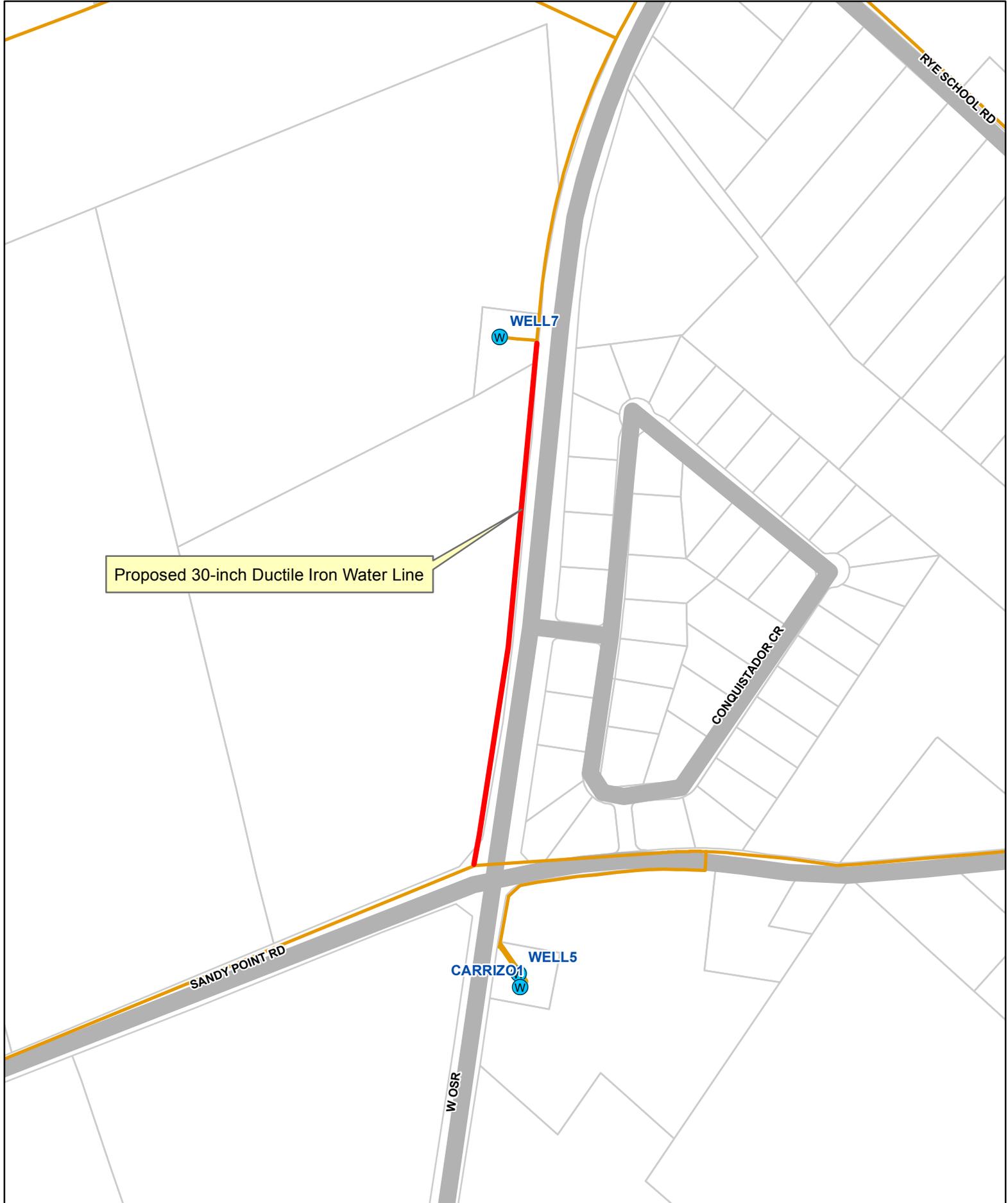
Recommendation(s): Staff recommends approval of the professional services contract.

Summary: The scope of this contract is for professional services for a well field collection line in the well field collection system that will provide a redundant raw water transmission route. The additional line will allow for flow to be diverted during maintenance/outages in the well field. This specific line will be located along the right-of-way of West OSR.

Budget & Financial Summary: Funds in the amount of \$900,000 are budgeted for this project in the Water Capital Improvement Projects Fund. Funds in the amount of \$233 have been expended or committed to date, leaving a balance of \$899,767 for this contract and for project construction.

Attachments:

1. Contract - Originals on file in the City Secretary's Office
2. Project Location Map





Legislation Details (With Text)

File #: 14-754 **Version:** 1 **Name:** Renewal of Finance Advisory
Type: Presentation **Status:** Consent Agenda
File created: 10/6/2014 **In control:** City Council Regular
On agenda: 10/20/2014 **Final action:**
Title: Presentation, possible action and discussion to approve a renewal of the consulting contract with First Southwest Company in an amount not to exceed \$ 150,000 for financial advisory services.
Sponsors: Jeff Kersten
Indexes:
Code sections:
Attachments: [13-298 R#1 First Southwest Company.pdf](#)

Date	Ver.	Action By	Action	Result
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Presentation, possible action and discussion to approve a renewal of the consulting contract with First Southwest Company in an amount not to exceed \$ 150,000 for financial advisory services.

Recommendation(s): Staff recommends approval of the renewal of the consultant contract between the City of College Station and First Southwest Company.

Summary: On October 23, 2013 Council approved a contract with First Southwest Company for a one (1) year term with up to four (4) one year options for renewal. The proposed renewal is for a not to exceed of \$ 150,000. This renewal is the first of four (4) renewal options. The City has utilized First Southwest Company since 1996 for financial advisor services. Financial Advisory Services consist of assisting the City in issuing debt, assisting in establishing timelines for issuance of debt, perform necessary analysis regarding the financial resources of the City, coordinate the assembly and transmittal of appropriate information to Bond Counsel, coordinate the preparation and submission of Notice of Sale, the Preliminary Official Statement and Official Statement and other marketing documents that may be required, advise financial publication of a forthcoming sale, coordinate the preparation of information for presentation to rating agencies, coordinate the receipt of bids and advising the city of best bid, coordinate the expeditious delivery of the bonds, deliver to the city a schedule of annual debt service requirements delivered to the purchaser and coordinate the selection of a paying agent registrar.

Budget & Financial Summary: Funds for this expenditure are budgeted and available in the various capital project funds where debt is issued.

Reviewed and Approved by Legal: Yes

Attachments:

1. Renewal Agreement

700 Milam Street
Suite 500
Houston, Texas 77002

713.654.8654 Direct
800.922.9850 Toll Free
832.239.9016 Fax

Drew K. Masterson
Managing Director

drew.masterson@firstsw.com

September 25, 2014

Via Lonestar Overnight
Ms. Heather Pavelka, Buyer
City of College Station
Purchasing Division
P. O. Box 9960
1101 Texas Avenue
College Station, Texas 77842

**Re: Renewal #1 – RFP 13-071, Contract 13-298
Financial Advisor Services**

Dear Heather:

Enclosed are five (5) original partially executed renewals of the referenced agreements your execution. Please return two (2) for our files.

We look forward to our continuing relationship with the City of College Station.

Feel free to contact me if you have any questions.

Sincerely yours,



Drew K. Masterson
Managing Director

Enclosures

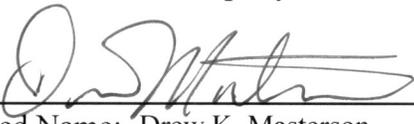
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RENEWAL ACCEPTANCE

By signing herewith, I acknowledge and agree to renew RFP 13-071, Contract 13-298 for Financial Advisor Services, and in accordance with all terms and conditions previously agreed to and accepted for an amount not to exceed One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00).

I understand this renewal term will be for the period beginning November 5, 2014 through November 4, 2015. This is the first of four possible renewals.

First Southwest Company

By: 
Printed Name: Drew K. Masterson
Title: Managing Director
Date: 23 September 2014

City of College Station

By: _____
City Manager
Date: _____

APPROVED:

City Attorney
Date: _____

Asst. City Manager/ CFO
Date: _____



Legislation Details (With Text)

File #: 14-755 **Version:** 1 **Name:** Annual Fuel Coversheet
Type: Presentation **Status:** Consent Agenda
File created: 10/6/2014 **In control:** City Council Regular
On agenda: 10/20/2014 **Final action:**
Title: Presentation, possible action and discussion on approving the award of an annual contract for gasoline and diesel fuel (Contract #15-006) to Brenco Marketing Corporation (Bryan, TX) for the amount of \$1,575,000.
Sponsors: Jeff Kersten
Indexes:
Code sections:
Attachments: [Contract 15-006 Brenco Marketing.pdf](#)

Date	Ver.	Action By	Action	Result
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Presentation, possible action and discussion on approving the award of an annual contract for gasoline and diesel fuel (Contract #15-006) to Brenco Marketing Corporation (Bryan, TX) for the amount of \$1,575,000.

Relationship to Strategic Goals: Goal I.1. Spending taxpayer money efficiently

Recommendation(s): Staff recommends award of the contract to the bidder offering the best value, Brenco Marketing Corporation, with annual estimated expenditures totaling \$1,575,000. Contingent upon Council approval, this contract will be effective December 20, 2014 with firm fixed prices for profit and delivery, allowing the City to pay cost (which fluctuates) plus markup.

Summary : Texas A&M University formally solicited bids for gasoline and diesel fuel for itself and on behalf of multiple local agencies including: City of College Station, City of Bryan, Brazos County, Brazos Valley Solid Waste Management Agency (BVSWMMA), College Station ISD and Bryan ISD. Six (6) sealed bids were received and opened on August 1, 2014. Please see the attached bid tabulation for further details.

TAC Energy and Hartland Fuel were eliminated due to excessive minimum transport load requirements for gasoline and diesel. Mansfield was eliminated due to submitting a non-responsive bid as they did not provide unit pricing for four (4) of the seven (7) bid items. Upon further review of the remaining three (3) bids submitted by Brenco Marketing Corporation, Petroleum Traders and Gold Star Petroleum, it was determined that Brenco Marketing Corporation offered the best value meeting specifications. Brenco Marketing Corporation offers the lowest price per gallon for all bid items with the exception of Bid Item 1. Petroleum Traders offers the lowest price per gallon for Bid Item 1; however, they require a higher minimum transport load that does not meet the City's requirements. Brenco Marketing Corporation offers the second lowest price per gallon for Bid Item 1; therefore, all participating agencies are in agreement with recommending award of the entire contract

to Brenco Marketing Corporation.

Budget & Financial Summary: Funds are available and budgeted in each fund. Expenses are charged to the appropriate fund/department as fuel is used.

Reviewed and Approved by Legal: Yes

Attachments: TAMU Bid Tabulation

**CITY OF COLLEGE STATION
ANNUAL FUEL CONTRACT**

This Contract is entered into by and between the **City of College Station, Texas**, a Texas Home-Rule municipal corporation (the “City”) and **Brenco Marketing Corporation**, a Texas corporation, (the “Contractor”) to supply the City with **its requirements for bulk fuel (gasoline and diesel)** as provided herein.

I. Definitions

1.01 “City” shall mean and be understood as referring to the City of College Station, Texas, a Texas Home-Rule municipal corporation.

1.02 “Contract Documents” shall mean the following documents, which shall have priority in the order listed here:

- (a) this signed Contract
- (b) any approved Addendum or Amendments to this Contract
- (c) the Specifications for Annual Fuel Contract
- (d) instructions to Bidders and any other notices to Bidders or Contractor
- (e) the Contractor’s bid or proposal

1.03 “Contractor” shall mean and be understood as the person, persons, partnership, or corporation who has agreed to supply the City with fuel pursuant to the terms of this Contract and the other Contract Documents.

1.04 “OPIS” shall refer to "Oil Price Information Service", an industry standard daily publication by UGG with fuel price costs per gallon to Suppliers (i.e. Bidders) FOB terminal, excluding taxes, discounts, and "Superfund" line items. A common bidding basis criteria from which Suppliers can determine their "mark-up" or profit to establish customer's (i.e. cities & others') price per gallon for fuel.

1.05 “Parties” shall mean the parties to this Contract, the City and the Contractor.

1.06 “Selling Price” (to be bid per gallon) shall mean the total price per gallon which includes the OPIS daily price, profit ("mark-up"), freight, tax and any other related cost.

II. Scope & General Terms

2.01 Contractor agrees to sell and City agrees to purchase from Contractor all the requirements of City of bulk fuel (gasoline and diesel) that the City requires to be delivered to the locations identified in the Specifications, attached hereto as Exhibit “A” and incorporated herein for all purposes, in accordance with the terms, conditions and specifications stated therein and herein below during the life of this contract.

2.02 The City hereby grants the Contractor the exclusive right, pursuant to the terms of this Contract, to supply the City with such bulk fuel requirements for the term of this Contract.

2.03 The quantities specified in this Contract or any other Contract Document are estimates only, based upon the past year's usage. **The City does not guarantee to purchase any given quantity nor shall it be obligated to purchase any excess stock carried by the Contractor in the event of contract termination.**

2.04 Term. The term of this Contract shall be for one (1) calendar year from the date hereof. Upon the written mutual consent of both parties, this Contract may be renewed on an annual basis thereafter for up to two (4) additional calendar years (5 years total).

2.05 Termination. The City reserves the right to terminate this Contract at any time, either for the City's convenience or for cause, including but not limited to the following:

- (a) Contractor's failure to delivery within the time specified in this Contract
- (b) Contractor's misrepresentation of any product or its specifications
- (c) Contractor's failure to supply the information required by this Contract with its invoices
- (d) Contractor's failure to report and/or clean up any spillage
- (e) any other failure to provide satisfactory service or products
- (f) failure to comply with any of the terms, express or implied, of this Contract

2.06 In all activities or services performed hereunder, the Contractor is an independent contractor and not an agent or employee of the City. The Contractor, as an independent contractor, shall be responsible for the services provided under this Contract. Except for facilities provided by the City at each delivery location, the Contractor shall supply all materials, equipment, and labor necessary for the delivery of the fuel under this Contract. The Contractor shall have ultimate control over the execution of the work under this Contract and shall have the sole obligation to employ, direct, control, supervise, manage, discharge, and compensate all of its employees and subcontractors. The City shall have no control of or supervision over the employees of the Contractor or its subcontractors.

2.07 The City will **not** be responsible for reporting or paying employment taxes or other similar levies that may be required by the United States Internal Revenue Service or other State or Federal agencies.

2.08 Unless otherwise stipulated, the Contractor shall provide and pay for all labor, materials, tools, equipment, transportation, and other services necessary or reasonably incidental to the delivery of the fuel under this Contract.

2.09 Any injury or damage to the Contractor or his property caused by an act of God, natural cause, a party or entity not privy to this Contract, or other force majeure shall be assumed by and borne by the Contractor.

III. Pricing & Payment

3.01 The Selling Price shall be the daily fuel price per gallon for fuel and shall be determined by adding the contractor's bid amount for profit per gallon to the average per gallon price listed in the "Oil Price Information Service" (OPIS), Pad 3 Net Report for Hearne, Texas, plus taxes, discounts, and "Superfund" line items.

3.02 While fluctuations may occur, the only acceptable changes in the Selling Price would be in the event the State of Texas or Federal Government makes adjustments in the fee levels of the State Petroleum Product Delivery Fee or the Federal Super Fund.

3.03 It is a **requirement** of this Contract that the Selling Price be decreased by the amount of any decrease in the refiner's/contractor's cost during the term of this Contract.

3.04 Time is of the essence of this Contract. The timely delivery of the fuel is critical. Failure to meet the delivery deadlines may result in termination of this Contract, at the City's discretion. In addition, and without prejudice to any other rights the City may have under this Contract or other law, in the event the Contractor fails to make timely delivery, the City reserves the right to procure the fuel from an alternative vendor and bill the Contractor the difference between the Bid Price and the open-market price, or any variation thereof.

3.05 The City shall pay the Contractor within thirty (30) calendar days of receipt of a correct invoice or delivery, whichever is later. The City may, however, on account of subsequently discovered evidence, withhold payment to such extent as may be necessary to protect the City from loss on account of, but not limited to any of the following:

- (a) Contaminated fuel or delivery of fuel otherwise not in conformity with this Contract and the specifications hereunder,
- (b) Claims filed or reasonable evidence indicating probable filing of claims for damage by Contractor to third parties,
- (c) Damage to City facilities or other City property caused by the Contractor,
- (d) Spillage and/or costs to the City for cleaning up any spillage by the Contractor,
- (e) Contractor's failure to make prompt payments to suppliers, subcontractors, or employees.

3.06 It shall be Contractor's sole responsibility to apply for any federal tax refund (if any). The City will provide Contractor with state tax exemption certificates for gasoline and diesel fuel purchased by Contractor for sale to the City pursuant to this Contract. Contractor may not apply for, or claim a refund for state sales taxes for purchases made under this Contract.

IV. Delivery Ticket and Invoice Requirements

4.01 A completed delivery ticket form must accompany each shipment.

4.02 Each delivery ticket shall specifically and clearly state the Selling Price for that particular shipment.

4.03 The City agrees to pay for all fuel delivered and accepted under this contract within 30 calendar days from receipt of product or valid invoice, whichever is the later.

4.04 Deliveries are to be invoiced separately per location, and each invoice shall consist of an original and at least one (1) copy. The successful bidder must supply each participating entity with one (1) copy of the applicable OPIS index for each delivery/invoice of the contract period no later than the fifth of each month.

4.05 Each invoice shall clearly indicate the delivery date, the gross and net gallons of fuel delivered, and the brand or trade name of the fuel supplied along with a copy of the manufacturer's purchase/exchange specifications (if applicable or requested), OPIS daily price, profit ("mark-up"), freight, tax and any other related cost. All prices shall be as set forth in "**Exhibit A**" (**Specifications**) attached hereto, and shall reflect the *delivered* price.

V. Product Specifications

5.01 Fuels shall have a high level of detergent additive as recommended for engines equipped with fuel injection systems. **Alcohol or alcohol blended fuels are not allowed.** All fuels supplied under this Contract shall be as stated in, and in conformity with, this Contract, the Specifications, the Invitation for Bid, and the Contractor's bid.

5.02 Any additive used must be identified by brand or trade name and the manufacturer's specifications must be provided to the City upon request.

5.03 The Contractor may change the supplier of the fuels provided that the fuel supplied by the new supplier meets or exceeds the Specifications.

5.04 Fuels to be supplied under this Contract shall be free from contamination. The City reserves the right to test fuel quality upon delivery, prior to unloading. Should test results show that fuel contains contamination, it will be rejected.

5.05 For purposes of this specification, contamination is defined as any element that enters pure refined gasoline or diesel fuel either naturally or by purposeful action, which is not a product of refined crude oil, with the exception of winter additives, detergents, and identifying dies. Any amount of alcohol is considered contamination and will not be allowed.

5.06 In the event that laboratory test results show that the fuel contains any level of alcohol or other contaminants, the Contractor shall be responsible for the removal of said fuels from City property within three (3) working days after requested to do so. The Contractor shall also be responsible for all cleanup required on all City property, storage facilities, and equipment as a result of noncompliance with the specifications. Furthermore, the Contractor shall be fully responsible for any and all costs incurred by the City for any equipment damaged as a result of the Contractor's delivery of contaminated fuel(s).

VI. Delivery

6.01 Delivery locations, storage tank capacities, approximate annual usage and delivery quantities shall be as listed in the Specifications.

6.02 All deliveries shall be on a **net gallon basis, temperature corrected to 60 degrees Fahrenheit**. Proper measurement thereof must be verified by the Tank Truck Bill of Lading.

6.03 The City reserves the right to inspect bulkheads and to measure contents of tanks before, at the time of and/or after delivery. Deliveries are to be made during normal working hours of 8:00 a.m. to 4:30 p.m.

6.04 Orders for delivery shall be made by phone. **Deliveries are to be made by the end of the next working day from the date the order is placed.** Contractor's Contact Person and phone number to be used by the City to place orders under this Contract shall be the individual referenced in Section IV of the attached Specifications:

<u>RUSSELL BENNETT</u>	<u>979-846-3835</u>
Contact Person	Telephone No.

6.05 If delivery is not accomplished **within 24 hours** from the time the order was placed by the City, the City reserves the right to procure the product on the open market and bill the Contractor the difference between the Selling Price and the open-market price.

6.06 The Contractor shall be responsible for all spillage that may occur during transit and unloading operations. The Contractor shall immediately report any spillage to the City office that ordered the fuel and immediately clean up the spillage at its sole cost and expense. If for any reason, the Contractor should fail to so report and/or clean up any spillage, the City may take whatever corrective action the City deems necessary and may charge the Contractor for the actual costs of any such corrective action.

6.07 Each delivery truck must have a method of controlling vapors while unloading into underground storage tanks.

6.08 The Contractor shall be liable for any damages incurred or repairs made necessary by reason of Contractor's delivery of fuel to the City pursuant to this Contract. Repairs of any kind required by the City will be made and charged to the Contractor by the City. The Contractor shall take all necessary precautions to protect areas, equipment, and facilities that are part of or adjacent to the Contractor's delivery of fuel.

VII. Insurance

7.01 The Contractor agrees to maintain the types and amounts of insurance required in this Contract throughout the term of the Contract. City's Insurance Requirements are attached

hereto as “**Exhibit B**” (**Insurance Requirements**). The following insurance policies shall be required:

1. Commercial General Liability
2. Automobile Liability
3. Workers' Compensation Insurance
4. Pollution Liability Insurance

7.02 For each of these policies, the Contractor's insurance coverage shall be primary insurance with respect to the City, its officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees or volunteers, shall be considered in excess of the Contractor's insurance and shall not contribute to it. Certificates of insurance and endorsements shall be furnished to and approved by the City's Risk Manager *before* any letter of authorization to commence planning will issue or any work on the Project commences. No term or provision of the indemnification provided by the Contractor to the City pursuant to this Contract shall be construed or interpreted as limiting or otherwise affecting the terms of the insurance coverage. All Certificates of Insurance and endorsements shall be furnished to the City's Representative at the time of execution of this Agreement, attached hereto as “**Exhibit C**” (**Certificates of Insurance**), and approved by the City *before* work commences.

7.03 The Contractor shall include all subcontractors as additional insured(s) under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

VIII. Compliance with Law & Safety Measures

8.01 The Contractor's work and materials shall comply with all state and federal laws, municipal ordinances, regulations, and directions of inspectors appointed by proper authorities having jurisdiction.

8.02 The Contractor shall perform and require all subcontractors to perform the work in accordance with applicable laws, codes, ordinances, and regulations of the State of Texas and the United States and in compliance with OSHA and other laws as they apply to its employees. In the event any of the conditions of the specifications violate the code for any industry, then such code conditions shall prevail.

8.03 Safety precautions at all delivery locations are a part of the work performed by Contractor under this Contract for which the Contractor shall be solely responsible. The Contractor is solely responsible for handling and use of hazardous materials or waste, and informing employees of any such hazardous materials or waste.

8.04 The Contractor has the sole obligation to protect or warn any individual of potential hazards created by the performance of the work set forth herein. The Contractor shall, at its own expense, take such precautionary measures for the protection of persons, property, and the work as may be necessary.

8.05 The Contractor shall be held responsible for all damages to property, personal injuries and/or death due to failure of safety devices of any type or nature that may be required to protect or warn any individual of potential hazards created by the performance of the work set forth herein; and when any property damage is incurred, the damaged portion shall immediately be replaced or compensated for by the Contractor at its own cost and expense.

8.06 The Contractor shall be responsible for any damage to the floor, walls, etc., caused by the Contractor's personnel or equipment during delivery.

8.07 The Contractor shall also be responsible for the removal of all related debris.

IX. Indemnity

To the fullest extent permitted by law, the Contractor the Contractor (separately and collectively the "Indemnitor") and shall indemnify, hold harmless, and defend the City, its officers, agents, and employees from and against any and all claims, losses, damages, causes of action, suits, and liability of every kind, including all expenses of litigation, court costs, and attorney's fees, for injury to or death of any person or for damage to any property arising out of or in connection with the work done by the Contractor under this Agreement. Such indemnity shall apply regardless of whether the claims, losses, damages, causes of action, suits, or liability arise in whole or in part from the negligence of the City, any other party indemnified hereunder, the Contractor, or any third party.

X. Release

The Contractor assumes full responsibility for the work to be performed hereunder and hereby releases, relinquishes, and discharges the City, its officers, agents, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to or death of any person and any loss of or damage to any property that is caused by, alleged to be caused by, arising out of, or in connection with the Contractor's work to be performed hereunder. This release shall apply regardless of whether said claims, demands, and causes of action are covered in whole or in part by insurance and regardless of whether such injury, death, loss, or damage was caused in whole or in part by the negligence of the City, any other party released hereunder, the Contractor, or any third party.

XI. Permits & Licenses

The Contractor shall secure and pay for all necessary permits and licenses, governmental fees, and inspections necessary for the proper execution and completion of the work. During this Contract term and/or period during which the Contractor is working, it shall give all notices and comply with all laws, ordinances, rules, regulations, and lawful orders of any public authority bearing on the performance of the work.

XII. Miscellaneous Terms

12.01 Assignment. This Contract and the rights and obligations contained herein may not be assigned by the Contractor without the prior written approval of the City.

12.02 Invalidity. If any provision of this Contract shall be held to be invalid, illegal or unenforceable by a court or other tribunal of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The parties shall use their best efforts to replace the respective provision or provisions of this Contract with legal terms and conditions approximating the original intent of the parties.

12.03 Written Notice. Notices shall be mailed to the addresses designated herein or as may be designated in writing by the parties from time to time and shall be deemed received after being sent postage prepaid U.S. Mail to the following addresses:

City:

City of College Station
Attn: Troy Pemberton, Fleet Services Superintendent
P.O. Box 9960
College Station, Texas 77842

Contractor:

Brenco Marketing Corporation
Attn: Don Broach, President
PO Box 3819
Bryan, Texas 77805-3819

12.04 Entire Agreement. It is understood that this Contract contains the entire agreement between the parties and supersedes any and all prior agreements, arrangements, or understandings between the parties relating to the subject matter. No oral understandings, statements, promises or inducements contrary to the terms of this Contract exist. This Contract cannot be changed or terminated orally. No verbal agreement or conversation with any officer, agent or employee of the City, either before or after the execution of this Contract, shall affect or modify any of the terms or obligations hereunder.

12.05 Amendment. No amendment to this Contract shall be effective and binding unless and until it is reduced to writing and signed by duly authorized representatives of both parties.

12.06 Choice of Law and Place of Performance. This Contract has been made under and shall be governed by the laws of the State of Texas. Performance and all matters related thereto shall be in Brazos County, Texas, United States of America.

12.07 Authority to do business. The Contractor represents that it has a certificate of authority, authorizing it to do business in the State of Texas, a registered agent and registered office during the duration of this contract.

12.08 Authority to Contract. Each party has the full power and authority to enter into and perform this Contract, and the person signing this Contract on behalf of each party has been properly authorized and empowered to enter into this Contract. The persons executing this Contract hereby represent that they have authorization to sign on behalf of their respective corporations.

12.09 Waiver. Failure of any party, at any time, to enforce a provision of this Contract shall in no way constitute a waiver of that provision nor in any way affect the validity of this Contract, any part hereof, or the right of the City thereafter to enforce each and every provision hereof. No term of this Contract shall be deemed waived or breach excused unless the waiver shall be in writing and signed by the party claimed to have waived. Furthermore, any consent to or waiver of a breach will not constitute consent to or waiver of or excuse of any other different or subsequent breach.

12.10 Contract Read. The parties acknowledge that they have read, understand and intend to be bound by the terms and conditions of this Contract.

12.11 Multiple Originals. It is understood and agreed that this Contract may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.

BRENCO MARKETING CORPORATION

CITY OF COLLEGE STATION

By: Donald H. Broach

Printed Name: DONALD H. BROACH

Title: PRESIDENT

Date: 9-25-14

City Manager

Date: _____

City Attorney

Date: _____

Assistant City Manager/CFO

Date: _____

Exhibit "A"
SPECIFICATIONS

Addendum #1

Date: July 24, 2014

Reference: Texas A&M University Invitation for Bid
Scheduled Bid Opening Date:

RFB Main #14-0031
August 1, 2014 at 2:00 p.m. CST

Please make the following changes, additions or deletions to the above referenced bid.

Changes:

Page 8 – Delivery Locations & Storage Capacity

***Please add the following locations to BVSWMA, Inc.**

Compost Facility – 2988 Pleasant Hill Rd., Bryan Texas
Tank 1 – Diesel 1000 gallons – above ground
Tank 2 – Diesel 500 gallons – above ground

Page 2 – First paragraph, last sentence – “Any amount of alcohol is considered contamination and will not be allowed.” Please change to read as - “**Any amount of alcohol, above industry standard, is considered contamination and will not be allowed.**”

Page 10 – Specific Invoicing and Payment

***Please change the billing address for BVSWMA, Inc. to the following:**

BVSWMA
Accounting Department
PO Box 10027
College Station TX 77842

Page 13 – RFB Components

***Bidders shall submit OPIS Rack Fax Sheets, dated July 2, 2014 for all fuels for Hearne TX.**

Page 18 – HUB Subcontracting Plan (HSP)

***Please update the link provided to – <https://mycpa.cpa.state.tx.us/tpasscmbsearch/index.jsp>**

***Please remove Jeff Zimmermann as point of contact for additional information and replace with Rex Janne, 979-458-4476; email – r-janne@tamu.edu**

P.O. Box 30013
1477 TAMU
College Station, TX 77842-3013

Tel. 979.845.4570 Fax. 979.845.3800
<http://purchasing.tamu.edu>

Additions:

*Please add **Attachment G – City of College Station Annual Fuel Contract**. Upon award, this agreement will be for execution with the successful vendor.

Questions and Answers:

1. Q. Who currently holds this current contract and are there bid tabulations available from the last fuel RFB that we can obtain?
A. **Brenco Marketing; See attached a copy of the last bid tabulation**
2. Q. Per FOIA, may we obtain a copy of a recent invoice for each product from your current supplier?
A. **All open records must be submitted through our Open Records Department - <http://openrecords.tamu.edu/about/>**
3. Q. Are the annual renewals mutual between entity and supplier?
A. **Yes, however each entity reserves the right to re-bid their portion and award separately, if desired.**
4. Q. May we email the OPIS report to you rather than supply it with each, individual invoice?
A. **The OPIS report must be received with each invoice. Upon award, each entity can coordinate how this is received from the successful vendor.**
5. Q. Can we invoice pump charges for above ground tanks separately?
A. **We request that all charges be included in the mark-up quoted.**
6. Q. Does Texas A&M subscribe to OPIS? If not, we are unable to provide OPIS information to non-subscribers. Would this result in a disqualification of the bid if it is not submitted?
A. **The successful vendor will purchase a subscription on behalf of each entity. Please refer to question/answer #4**
7. Q. Please clarify Term of Agreement, Section 1, 1.3. "Percentage of mark-up quoted shall be held firm for the duration of the original agreement any renewals and/or extensions". Does this mean if we were awarded the contract and had to the option to renew, we would never be able to change the mark-up?
A. **Correct**
8. Q. Is there a set HUB goal for this solicitation?
A. **The HUB Subcontracting Plan is a required document that must be completed and approved prior to your bid response being accepted. If your company elects to complete the required form utilizing the aggregated method, the HUB participation must meet the 23.55 percent for commodities contracts, as indicated on page 1 of the HUB Subcontracting Plan.**

9. Q. Would you ever really split the award for just transport loads?
- A. Refer to Section 1.4 Award of RFB
10. Q. Are the contract extensions mutually agreed upon?
- A. Yes, if an agency elects not to exercise an extension on behalf of their agency, they would be removed from the listing of participating agencies.
11. Q. Have any addendums been released for this bid?
- A. Please refer to Section 5.2 of the bid request
12. Q. What is the average load size for gas and diesel?
- A. Brazos County: 8,000 gallons for both gas and diesel.
500 to 3000 gallons for dyed diesel
City of Bryan: Full loads; 4000/4000; 5000/3800
Texas A&M University: Unleaded – 8600 gallons
Diesel – 7500 gallons
City of College Station: 8,000 gallons for gas and diesel
Bryan ISD: 7,500 gallons – sometimes split between diesel and unleaded to make full load
College Station ISD: Transportation Facility - 8,000 gallons diesel. Only order 4,000 gallons of gas one a year; Purchasing Facility – 8,000 gallons for gas, 2,000 gallons diesel
BVSWMMA: Landfill: 8,000 gallons diesel, 400 gallons gas; Compost: 1,000 gallons diesel
13. Q. Will products or locations be split to create full loads?
- A. Brazos County: No able to take full loads of dyed diesel product at either location
City of Bryan: Almost never split loads to different locations; Always full loads, mostly split products to one location only
Texas A&M University: We have split one full load into two tanks at the same location. We typically purchase full loads
City of College Station: We order full loads. Most of the time split products go to one location. Once in a while, we will have split product for two locations.
Bryan ISD: Yes, split diesel and unleaded to make full load
College Station ISD: Transportation Facility – no split loads; Purchasing – products are sometimes split between gas and diesel to make full load
BVSWMMA: No
14. Q. What is the percentage of Transport to Tankwagon deliveries?
- A. 60 plus transport loads (MSC and Fountain) per year compared to about 4 or 5 bobtails per year (generators, golf course)

15. Q. When is the first board meeting after the opening?
- A. **Brazos County: Tuesday of each week**
BVSWMA: Board of Directors Meeting – September 17, 2014
CSISD: Board Meeting is August 19, 2014
16. Q. Will decision be made before or at board meeting?
- A. **Brazos County: This contract will be awarded at the discretion of Commissioner's court**
BVSWMA: This contract will be awarded at the discretion of the BVSWMA, Inc. Board of Directors
CSISD: This contract will be awarded at the discretion of the CSISD Board of Trustees
17. Q. Can you do better than 30 days for payment terms, i.e. Net 10 or Net 15?
- A. **Bidders are to indicate their desired payment terms within their bid response. Each agency reserves the right to negotiate payment terms, based on each agencies ability to modify payment terms.**
18. Q. Do you currently receive a discount for prompt payment of invoices?
- A. **Brazos County – No**
BVSWMA – No
Bryan Independent School District – No
City of Bryan – No
City of College Station – No
College Station Independent School District – No
Texas A&M University – No
19. Q. Will a firm fixed price be considered? If not, why?
- A. **Please refer to Section 2.14 Pricing and Bid Preparation. Bidders are required to provide pricing as specified. Alternate pricing methods will not be considered for award. This would be considered a change in specifications and deemed unfair/unethical to all potential bidders responding to the request.**
20. Q. If we were to insert any conditions into our alternate firm fixed bid, would they be taken into consideration or rejected? Sample attached, please indicate which clauses would be acceptable and which clause would be cause for rejection?
- A. **See Question/Answer #19. Any additional terms and conditions offered by bidder(s) must be reviewed for compliance by each agency's legal office, prior to acceptance.**
21. Q. Can we please have a list of bidders invited to submit a proposal?
- A. **This information is not available.**

22. Q. Is there a public bid opening and if so, what information will you be reading out loud at the bid opening?
- A. **Yes, the bid(s) will be opened publicly on Friday, August 1, 2014 at 2:00 p.m. CST. We announce the vendor that responded and the price offered for each line item. However, please be aware that since this request has a HUB Subcontracting Plan, all responses are subject to the approval of each bidders HUB documents. If a bidders HUB documents are found to be unacceptable, the entire response will be void. Also, each agency as certain requirements that must be met, therefore all responses are pending approval until all agencies can review the submissions.**
23. Q. How many consecutive years has the current vendor been awarded?
- A. **Twenty (20)**
24. Q. If we do not attend the bid opening, or if it is not public, when and how will we be notified of the low bidder and can we receive a copy of the bid tabulation?
- A. **The award will be posted to the Electronic State Business Daily, see Section 5.2 for website link. Tabulation may be requested at any time, but a copy of the tabulation will not be provided until the project has been awarded.**
25. Q. What taxes and fees are to be included in our bid price, if any?
- A. **Please refer to Section 2.14; Pricing and Bid Preparation**
26. Q. We submit invoices as product is delivered and not on a monthly basis correct?
- A. **Please refer to Section 2.12; Specific Invoicing and Payment**
27. Q. The substitute W-9 form was not found from the bid link. Can we submit our own W-9 or can you send a copy to us? Also it states the form needs to be mailed in. Can we just send it in with the bid?
- A. **Please find link to substitute W-9 - <http://fmo.tamu.edu/media/65345/substitutew9.pdf>. A copy as also been provided. Please note – each agency may require additional forms. Upon award, additional forms will be requested, as applicable. Yes, a copy may be included with bid response.**
28. Q. There are Houston and Hearne OPIS numbers in the bid. If the contract is tied to Hearne, what are the Houston numbers used for?
- A. **See Changes above. Only the Hearne numbers are required**

29. Q. What are the start dates for the various entities?
- A. **Brazos County – October 1, 2014**
BVSWMA – October 1, 2014
Bryan Independent School District – September 1, 2014
City of Bryan – October 28, 2014
City of College Station – December 20, 2014
College Station Independent School District – September 1, 2014
Texas A&M University – September 1, 2014
30. Q. It appears our HUB paperwork was rejected. This was because we did not use a specific company to find our HUBs to meet the requirement even though we met the requirement on our own. What is the company we are supposed to use? Do they charge for the service?
- A. **Please refer to Section 5.3 – HUB Subcontracting Plan (HSP) and “Changes” above. Please contact Patty Winkler @ 979-845-4556 or Rex Janne @ 979-458-4476 to assist with filling out the required HUB documents.**
31. Q. The street address to send the bid to only states “Agronomy Road”. Is this the complete address?
- A. **Yes, please refer to cover page of bid request. There is no number for the building.**
32. Q. Are the options to renew mutual?
- A. **Yes**
33. Q. Is the current fuel contract awarded to one vendor?
- A. **Yes**
34. Q. Who is your current vendor?
- A. **See Question/Answer #1**
35. Q. Since OPIS is copyrighted does the University want the awarded vendor to provide a subscription to OPIS?
- A. **See Question/Answer #6**
36. Q. Page 11, item 2.14; does the pricing for this bid need to be off the average or the unbranded average?
- A. **Average rack for bio-diesel and unbranded average for all other fuels.**

37. Q. If the vendor does not plan on using subcontractors do they need to fill out the HUB Subcontracting Plan?
- A. **Yes, the HUB Subcontracting Plan is required to be submitted from all vendors. If the company can fulfill the entire request with its own employees, equipment and resources, this would be considered self-performing. Please refer to the page titled "HUB Subcontracting Plan (HSP) Quick Checklist". The first option will explain what needs to be completed and returned when self-performing.**
38. Q. If the vendor does not plan on using subcontractors do they still need to meet the 20% HUB goal?
- A. **See Question/Answer #37**
39. Q. Is the HUB Subcontracting Plan a goal or a good faith effort?
- A. **The HUB Subcontracting Plan is a document requirement for this request. Please contact Rex Janne @ 979-458-4476 or via email; r-janne@tamu.edu or Patty Winkler @ 979-845-4556 or via email; p-winkler@tamu.edu for assistance in completing this requirement.**
40. Q. Should my differential include any taxes?
- A. **Please refer to Section 2.14; Pricing and Preparation**
41. Q. Should all taxes be a separate line item on invoices?
- A. **Yes; Please refer to Section 2.14; Pricing and Preparation**
42. Q. Is the diesel to be delivered under this contract supposed to be Ultra low-sulfur diesel?
- A. **Please refer to Section 2.10; Product Specifications**
43. Q. Are any entities currently receiving biodiesel? If so, what was the volume of bio diesel during the last contract year?
- A. **Please refer to Section 2.6; Product Estimates**
44. Q. What percentage of bio should the vendor's bid to make everything consistent?
- A. **Vendors are asked to provide a firm mark-up for each fuel grade. Please refer to Section 2.14; Pricing and Preparation and Section 6; Pricing**
45. Q. What percentage of a HUB does the University expect for this contract?
- A. **There is no set aside for this contract**
46. Q. How does the university define this fuel contract, "heavy construction", "building construction", "special trade construction", "professional services", "all other services", or "commodities"?
- A. **Commodities**

47. Q. If a vendor does not agree that a fuel contract falls within the scope of the mentioned contracts for the HUB plan, is that vendor still required to meet the HUB goal?
- A. **All vendors are required to submit a HUB Subcontract Plan and plan must be approved in order to accept your entire response. See question/answer 30 & 39.**
48. Q. Have any addendums been released?
- A. **Please refer to Question/Answer #11**
49. Q. Does the University have a list of approved HUB vendors?
- A. **Refer to Section 5.3 and Changes above**
50. Q. How does a vendor confirm someone is certified with the University as a HUB?
- A. **Refer to Section 5.3 and Changes above**
51. Q. How is your current vendor meeting the HUB goal?
- A. **There is no set aside for this project.**

Please acknowledge receipt of the addendum by signing and returning with your proposal.

Sincerely,



Patty Winkler, CTP, C.P.M.
Senior Buyer

Company Name

Authorized Signature

Date

Bid Tabulation No. ~~04-115~~ 09-0026
 Annual Fuel Contract for the City of Bryan Participating Entities

The listing of any bid <u>should not</u> be construed as an indication that the City or any other participating entity declares the bid as responsive. The City and other participating entities will evaluate all bids according to the criteria listed in the RFB and notify the successful bidder upon award of contract.	Martin Eagle Oil Company, Inc.	<i>*Law 8/28/09</i> Brenco Marketing Inc.	Gold Star Petroleum, Inc.	SC Fuels
One Original Complete Bid Submitted as Required (Y/N)	Y	<i>1000341</i> Y <i>closed</i> <i>flow</i>	Y	Y
Addendum #1-Acknowledged as Required (Y/N)	Y	Y	Y	Y
Addendum #2 - Acknowledged as Required (Y/N)	Y	Y	Y	N
HUB Submittals (Y/N)	Y	Y	Y	Y
Felony Conviction Submittal (Y/N)	Y	Y	Y	Y
Prompt Payment Discount (Y/N) / % Discount:	N	N	N	N
Certification of Bid Package (Y/N)	Y	Y	Y	Y
References Provided	Y	Y	Y	Y

Item #1 - Gasoline, Unleaded, 87 Octane Transport Truck Delivery (TTD)				
Minimum transport load in US Gallons	7000-9000	7000	8600	7000
A) OPIS (\$/Gallon As of 6/30/04)	1.9438	1.9438	1.9438	1.9438
B) Profit (\$/Gallon)	0.0129	0.0210	0.0491	0.0145
C) Total Unit Price (\$/Gallon)	1.9567	1.9648	1.9929	1.9583
Item #2 - Gasoline, Unleaded, 87 Octane Less Than Full Transport Truck Delivery (LTFTTD)				
Minimum transport load in US Gallons	4000-6999	250	250	250
A) OPIS (\$/Gallon As of 6/30/04)	1.9438	1.9438	1.9438	NO BID
B) Profit (\$/Gallon)	0.0400	0.0500	0.3932	
C) Total Unit Price (\$/Gallon)	1.9838	1.9938	2.3370	
Item #3 - Gasoline, Unleaded, 89 Octane Less Than Full Transport Truck Delivery (LTFTTD)				
Minimum transport load in US Gallons	4000-6999	250	250	250
A) OPIS (\$/Gallon As of 6/30/04)	2.0128	2.0128	2.0128	NO BID
B) Profit (\$/Gallon)	0.0400	0.0500	0.3943	
C) Total Unit Price (\$/Gallon)	2.0528	2.0628	2.4071	

Annual Fuel Contract for the City of Bryan Participating Entities

<i>The listing of any bid <u>should not</u> be construed as an indication that the City or any other participating entity declares the bid as responsive. The City and other participating entities will evaluate all bids according to the criteria listed in the RFB and notify the successful bidder upon award of contract.</i>	Martin Eagle Oil Company, Inc.	Brenco Marketing	Gold Star Petroleum, Inc.	SC Fuels
Item #4 - Gasoline, Unleaded, 93/94 Octane Less Than Full Transport Truck Delivery (LTFTTD)				
Minimum transport load in US Gallons	4000-6999	250	250	
A) OPIS (\$/Gallon As of 6/30/04)	2.1438	2.1438	2.1438	NO BID
B) Profit (\$/Gallon)	0.0400	0.0500	0.3962	
C) Total Unit Price (\$/Gallon)	2.1838	2.1938	2.5400	
Item #5 - #2 Diesel, Low Sulfur Transport Truck Delivery (TTD)				
Minimum transport load in US Gallons	7000-7500	6500	7400	6500
A) OPIS (\$/Gallon As of 6/30/04)	1.8941	1.8941	1.8941	1.8941
B) Profit (\$/Gallon)	0.0129	0.0240	0.0519	0.0047
C) Total Unit Price (\$/Gallon)	1.9070	1.9181	1.9460	1.8988
Item #6 - #2 Diesel, Low Sulfur Less Than Full Transport Truck Delivery (LTFTTD)				
Minimum transport load in US Gallons	4000-6999	250	250	
A) OPIS (\$/Gallon As of 6/30/04)	1.8941	1.8941	1.8941	NO BID
B) Profit (\$/Gallon)	0.0400	0.0500	0.3927	
C) Total Unit Price (\$/Gallon)	1.9341	1.9441	2.2868	
Item #7 - #2 Dyed Diesel, Low Sulfur Transport Truck Delivery (TTD)				
Minimum transport load in US Gallons	7000-7500	6,500	7,400	7,500
A) OPIS (\$/Gallon As of 6/30/04)	1.8979	1.8979	1.8979	1.8979
B) Profit (\$/Gallon)	0.0129	0.0240	0.0519	0.0047
C) Total Unit Price (\$/Gallon)	1.9108	1.9219	1.9498	1.9026
Item #8 - #2 Dyed Diesel, Low Sulfur Less Than Full Transport Truck Delivery (LTFTTD)				
Minimum transport load in US Gallons	4000-6999	250	250	
A) OPIS (\$/Gallon As of 6/30/04)	1.8979	1.8979	1.8979	NO BID
B) Profit (\$/Gallon)	0.0400	0.0500	0.3928	

Annual Fuel Contract for the City of Bryan Participating Entities

<i>The listing of any bid should not be construed as an indication that the City or any other participating entity declares the bid as responsive. The City and other participating entities will evaluate all bids according to the criteria listed in the RFB and notify the successful bidder upon award of contract.</i>	Martin Eagle Oil Company, Inc.	Brenco Marketing	Gold Star Petroleum, Inc.	SC Fuels
C) Total Unit Price (\$/Gallon)	1.9379	1.9479	2.2907	

Item #9 - Bio Diesel Less Than Full Transport Truck Delivery (LTFTTD)				
Minimum transport load in US Gallons	4000-69999	6,500	3,000	NO BID
A) OPIS (\$/Gallon As of 6/30/04)	1.9453	1.9453	see bid	
B) Profit (\$/Gallon)	-0.1000	0.0800	0.6820	
C) Total Unit Price (\$/Gallon)	1.8453	2.0253	0.6820	

Deviations/Conditions:

Rack Fax Sheet was pulled at different times, therefore the price was different. Purchasing changed the OPIS Rack Fax price to match across the board prior to evaluation.

Martin Eagle

Unacceptable min. gallons on #2, 3, 4, 6 and 8. There is a charge of \$100.00 per order or drop site for less than 3999 gross gallons. Will not deliver loads of less than 4000 gallons of any bio-blend. Contacted vendor and they would place two trucks in the area to service account if awarded. They also indicated they would allow split loads to meet the 3999 gallons. This would require coordination between different drop sites

Gold Star

Bio-diesel not figured correctly - do not subscribe to Houston OPIS

Brenco

The account is currently services with 6 trucks and 1 bobtail

**CITY OF COLLEGE STATION
ANNUAL FUEL CONTRACT**

This Contract is entered into by and between the **City of College Station, Texas**, a Texas Home-Rule municipal corporation (the "City") and _____, a Texas corporation, (the "Contractor") to supply the City with **its requirements for bulk fuel (gasoline and diesel)** as provided herein.

I. Definitions

1.01 "City" shall mean and be understood as referring to the City of College Station, Texas, a Texas Home-Rule municipal corporation.

1.02 "Contract Documents" shall mean the following documents, which shall have priority in the order listed here:

- (a) this signed Contract
- (b) any approved Addendum or Amendments to this Contract
- (c) the Specifications for Annual Fuel Contract
- (d) instructions to Bidders and any other notices to Bidders or Contractor
- (e) the Contractor's bid or proposal

1.03 "Contractor" shall mean and be understood as the person, persons, partnership, or corporation who has agreed to supply the City with fuel pursuant to the terms of this Contract and the other Contract Documents.

1.04 "OPIS" shall refer to "Oil Price Information Service", an industry standard daily publication by UGG with fuel price costs per gallon to Suppliers (i.e. Bidders) FOB terminal, excluding taxes, discounts, and "Superfund" line items. A common bidding basis criteria from which Suppliers can determine their "mark-up" or profit to establish customer's (i.e. cities & others') price per gallon for fuel.

1.05 "Parties" shall mean the parties to this Contract, the City and the Contractor.

1.06 "Selling Price" (to be bid per gallon) shall mean the total price per gallon which includes the OPIS daily price, profit ("mark-up"), freight, tax and any other related cost.

II. Scope & General Terms

2.01 Contractor agrees to sell and City agrees to purchase from Contractor all the requirements of City of bulk fuel (gasoline and diesel) that the City requires to be delivered to the locations identified in the Specifications, attached hereto as Exhibit "A" and incorporated herein for all purposes, in accordance with the terms, conditions and specifications stated therein and herein below during the life of this contract.

2.02 The City hereby grants the Contractor the exclusive right, pursuant to the terms of this Contract, to supply the City with such bulk fuel requirements for the term of this Contract.

2.03 The quantities specified in this Contract or any other Contract Document are estimates only, based upon the past year's usage. **The City does not guarantee to purchase any given quantity nor shall it be obligated to purchase any excess stock carried by the Contractor in the event of contract termination.**

2.04 Term. The term of this Contract shall be for one (1) calendar year from the date hereof. Upon the written mutual consent of both parties, this Contract may be renewed on an annual basis thereafter for up to two (4) additional calendar years (5 years total).

2.05 Termination. The City reserves the right to terminate this Contract at any time, either for the City's convenience or for cause, including but not limited to the following:

- (a) Contractor's failure to delivery within the time specified in this Contract
- (b) Contractor's misrepresentation of any product or its specifications
- (c) Contractor's failure to supply the information required by this Contract with its invoices
- (d) Contractor's failure to report and/or clean up any spillage
- (e) any other failure to provide satisfactory service or products
- (f) failure to comply with any of the terms, express or implied, of this Contract

2.06 In all activities or services performed hereunder, the Contractor is an independent contractor and not an agent or employee of the City. The Contractor, as an independent contractor, shall be responsible for the services provided under this Contract. Except for facilities provided by the City at each delivery location, the Contractor shall supply all materials, equipment, and labor necessary for the delivery of the fuel under this Contract. The Contractor shall have ultimate control over the execution of the work under this Contract and shall have the sole obligation to employ, direct, control, supervise, manage, discharge, and compensate all of its employees and subcontractors. The City shall have no control of or supervision over the employees of the Contractor or its subcontractors.

2.07 The City will **not** be responsible for reporting or paying employment taxes or other similar levies that may be required by the United States Internal Revenue Service or other State or Federal agencies.

2.08 Unless otherwise stipulated, the Contractor shall provide and pay for all labor, materials, tools, equipment, transportation, and other services necessary or reasonably incidental to the delivery of the fuel under this Contract.

2.09 Any injury or damage to the Contractor or his property caused by an act of God, natural cause, a party or entity not privy to this Contract, or other force majeure shall be assumed by and borne by the Contractor.

III. Pricing & Payment

3.01 The Selling Price shall be the daily fuel price per gallon for fuel and shall be determined by adding the contractor's bid amount for profit per gallon to the average per gallon price listed in the "Oil Price Information Service" (OPIS), Pad 3 Net Report for Hearne, Texas, plus taxes, discounts, and "Superfund" line items.

3.02 While fluctuations may occur, the only acceptable changes in the Selling Price would be in the event the State of Texas or Federal Government makes adjustments in the fee levels of the State Petroleum Product Delivery Fee or the Federal Super Fund.

3.03 It is a **requirement** of this Contract that the Selling Price be decreased by the amount of any decrease in the refiner's/contractor's cost during the term of this Contract.

3.04 Time is of the essence of this Contract. The timely delivery of the fuel is critical. Failure to meet the delivery deadlines may result in termination of this Contract, at the City's discretion. In addition, and without prejudice to any other rights the City may have under this Contract or other law, in the event the Contractor fails to make timely delivery, the City reserves the right to procure the fuel from an alternative vendor and bill the Contractor the difference between the Bid Price and the open-market price, or any variation thereof.

3.05 The City shall pay the Contractor within thirty (30) calendar days of receipt of a correct invoice or delivery, whichever is later. The City may, however, on account of subsequently discovered evidence, withhold payment to such extent as may be necessary to protect the City from loss on account of, but not limited to any of the following:

- (a) Contaminated fuel or delivery of fuel otherwise not in conformity with this Contract and the specifications hereunder,
- (b) Claims filed or reasonable evidence indicating probable filing of claims for damage by Contractor to third parties,
- (c) Damage to City facilities or other City property caused by the Contractor,
- (d) Spillage and/or costs to the City for cleaning up any spillage by the Contractor,
- (e) Contractor's failure to make prompt payments to suppliers, subcontractors, or employees.

3.06 It shall be Contractor's sole responsibility to apply for any federal tax refund (if any). The City will provide Contractor with state tax exemption certificates for gasoline and diesel fuel purchased by Contractor for sale to the City pursuant to this Contract. Contractor may not apply for, or claim a refund for state sales taxes for purchases made under this Contract.

IV. Delivery Ticket and Invoice Requirements

4.01 A completed delivery ticket form must accompany each shipment.

4.02 Each delivery ticket shall specifically and clearly state the Selling Price for that particular shipment.

4.03 The City agrees to pay for all fuel delivered and accepted under this contract within 30 calendar days from receipt of product or valid invoice, whichever is the later.

4.04 Deliveries are to be invoiced separately per location, and each invoice shall consist of an original and at least one (1) copy. The successful bidder must supply each participating entity with one (1) copy of the applicable OPIS index for each delivery/invoice of the contract period no later than the fifth of each month.

4.05 Each invoice shall clearly indicate the delivery date, the gross and net gallons of fuel delivered, and the brand or trade name of the fuel supplied along with a copy of the manufacturer's purchase/exchange specifications (if applicable or requested), OPIS daily price, profit ("mark-up"), freight, tax and any other related cost. All prices shall be as set forth in "Exhibit A" (Specifications) attached hereto, and shall reflect the *delivered* price.

V. Product Specifications

5.01 Fuels shall have a high level of detergent additive as recommended for engines equipped with fuel injection systems. **Alcohol or alcohol blended fuels are not allowed.** All fuels supplied under this Contract shall be as stated in, and in conformity with, this Contract, the Specifications, the Invitation for Bid, and the Contractor's bid.

5.02 Any additive used must be identified by brand or trade name and the manufacturer's specifications must be provided to the City upon request.

5.03 The Contractor may change the supplier of the fuels provided that the fuel supplied by the new supplier meets or exceeds the Specifications.

5.04 Fuels to be supplied under this Contract shall be free from contamination. The City reserves the right to test fuel quality upon delivery, prior to unloading. Should test results show that fuel contains contamination, it will be rejected.

5.05 For purposes of this specification, contamination is defined as any element that enters pure refined gasoline or diesel fuel either naturally or by purposeful action, which is not a product of refined crude oil, with the exception of winter additives, detergents, and identifying dies. Any amount of alcohol is considered contamination and will not be allowed.

5.06 In the event that laboratory test results show that the fuel contains any level of alcohol or other contaminants, the Contractor shall be responsible for the removal of said fuels from City property within three (3) working days after requested to do so. The Contractor shall also be responsible for all cleanup required on all City property, storage facilities, and equipment as a result of noncompliance with the specifications. Furthermore, the Contractor shall be fully responsible for any and all costs incurred by the City for any equipment damaged as a result of the Contractor's delivery of contaminated fuel(s).

VI. Delivery

6.01 Delivery locations, storage tank capacities, approximate annual usage and delivery quantities shall be as listed in the Specifications.

6.02 All deliveries shall be on a **net gallon basis, temperature corrected to 60 degrees Fahrenheit**. Proper measurement thereof must be verified by the Tank Truck Bill of Lading.

6.03 The City reserves the right to inspect bulkheads and to measure contents of tanks before, at the time of and/or after delivery. Deliveries are to be made during normal working hours of 8:00 a.m. to 4:30 p.m.

6.04 Orders for delivery shall be made by phone. **Deliveries are to be made by the end of the next working day from the date the order is placed.** Contractor's Contact Person and phone number to be used by the City to place orders under this Contract shall be the individual referenced in Section IV of the attached Specifications.

Contact Person

Telephone No.

6.05 If delivery is not accomplished **within 24 hours** from the time the order was placed by the City, the City reserves the right to procure the product on the open market and bill the Contractor the difference between the Selling Price and the open-market price.

6.06 The Contractor shall be responsible for all spillage that may occur during transit and unloading operations. The Contractor shall immediately report any spillage to the City office that ordered the fuel and immediately clean up the spillage at its sole cost and expense. If for any reason, the Contractor should fail to so report and/or clean up any spillage, the City may take whatever corrective action the City deems necessary and may charge the Contractor for the actual costs of any such corrective action.

6.07 Each delivery truck must have a method of controlling vapors while unloading into underground storage tanks.

6.08 The Contractor shall be liable for any damages incurred or repairs made necessary by reason of Contractor's delivery of fuel to the City pursuant to this Contract. Repairs of any kind required by the City will be made and charged to the Contractor by the City. The Contractor shall take all necessary precautions to protect areas, equipment, and facilities that are part of or adjacent to the Contractor's delivery of fuel.

VII. Insurance

7.01 The Contractor agrees to maintain the types and amounts of insurance required in this Contract throughout the term of the Contract. City's Insurance Requirements are attached

hereto as "**Exhibit B**" (**Insurance Requirements**). The following insurance policies shall be required:

1. Commercial General Liability
2. Automobile Liability
3. Workers' Compensation Insurance
4. Pollution Liability Insurance

7.02 For each of these policies, the Contractor's insurance coverage shall be primary insurance with respect to the City, its officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees or volunteers, shall be considered in excess of the Contractor's insurance and shall not contribute to it. Certificates of insurance and endorsements shall be furnished to and approved by the City's Risk Manager *before* any letter of authorization to commence planning will issue or any work on the Project commences. No term or provision of the indemnification provided by the Contractor to the City pursuant to this Contract shall be construed or interpreted as limiting or otherwise affecting the terms of the insurance coverage. All Certificates of Insurance and endorsements shall be furnished to the City's Representative at the time of execution of this Agreement, attached hereto as "**Exhibit C**" (**Certificates of Insurance**), and approved by the City *before* work commences.

7.03 The Contractor shall include all subcontractors as additional insured(s) under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

VIII. Compliance with Law & Safety Measures

8.01 The Contractor's work and materials shall comply with all state and federal laws, municipal ordinances, regulations, and directions of inspectors appointed by proper authorities having jurisdiction.

8.02 The Contractor shall perform and require all subcontractors to perform the work in accordance with applicable laws, codes, ordinances, and regulations of the State of Texas and the United States and in compliance with OSHA and other laws as they apply to its employees. In the event any of the conditions of the specifications violate the code for any industry, then such code conditions shall prevail.

8.03 Safety precautions at all delivery locations are a part of the work performed by Contractor under this Contract for which the Contractor shall be solely responsible. The Contractor is solely responsible for handling and use of hazardous materials or waste, and informing employees of any such hazardous materials or waste.

8.04 The Contractor has the sole obligation to protect or warn any individual of potential hazards created by the performance of the work set forth herein. The Contractor shall, at its own expense, take such precautionary measures for the protection of persons, property, and the work as may be necessary.

8.05 The Contractor shall be held responsible for all damages to property, personal injuries and/or death due to failure of safety devices of any type or nature that may be required to protect or warn any individual of potential hazards created by the performance of the work set forth herein; and when any property damage is incurred, the damaged portion shall immediately be replaced or compensated for by the Contractor at its own cost and expense.

8.06 The Contractor shall be responsible for any damage to the floor, walls, etc., caused by the Contractor's personnel or equipment during delivery.

8.07 The Contractor shall also be responsible for the removal of all related debris.

IX. Indemnity

To the fullest extent permitted by law, the Contractor the Contractor (separately and collectively the "Indemnitor") and shall indemnify, hold harmless, and defend the City, its officers, agents, and employees from and against any and all claims, losses, damages, causes of action, suits, and liability of every kind, including all expenses of litigation, court costs, and attorney's fees, for injury to or death of any person or for damage to any property arising out of or in connection with the work done by the Contractor under this Agreement. Such indemnity shall apply regardless of whether the claims, losses, damages, causes of action, suits, or liability arise in whole or in part from the negligence of the City, any other party indemnified hereunder, the Contractor, or any third party.

X. Release

The Contractor assumes full responsibility for the work to be performed hereunder and hereby releases, relinquishes, and discharges the City, its officers, agents, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to or death of any person and any loss of or damage to any property that is caused by, alleged to be caused by, arising out of, or in connection with the Contractor's work to be performed hereunder. This release shall apply regardless of whether said claims, demands, and causes of action are covered in whole or in part by insurance and regardless of whether such injury, death, loss, or damage was caused in whole or in part by the negligence of the City, any other party released hereunder, the Contractor, or any third party.

XI. Permits & Licenses

The Contractor shall secure and pay for all necessary permits and licenses, governmental fees, and inspections necessary for the proper execution and completion of the work. During this Contract term and/or period during which the Contractor is working, it shall give all notices and comply with all laws, ordinances, rules, regulations, and lawful orders of any public authority bearing on the performance of the work.

XII. Miscellaneous Terms

12.01 Assignment. This Contract and the rights and obligations contained herein may not be assigned by the Contractor without the prior written approval of the City.

12.02 Invalidity. If any provision of this Contract shall be held to be invalid, illegal or unenforceable by a court or other tribunal of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The parties shall use their best efforts to replace the respective provision or provisions of this Contract with legal terms and conditions approximating the original intent of the parties.

12.03 Written Notice. Notices shall be mailed to the addresses designated herein or as may be designated in writing by the parties from time to time and shall be deemed received after being sent postage prepaid U.S. Mail to the following addresses:

City:
City of College Station
Attn: _____
P.O. Box 9960
College Station, Texas 77842

Contractor:

Attn: _____

12.04 Entire Agreement. It is understood that this Contract contains the entire agreement between the parties and supersedes any and all prior agreements, arrangements, or understandings between the parties relating to the subject matter. No oral understandings, statements, promises or inducements contrary to the terms of this Contract exist. This Contract cannot be changed or terminated orally. No verbal agreement or conversation with any officer, agent or employee of the City, either before or after the execution of this Contract, shall affect or modify any of the terms or obligations hereunder.

12.05 Amendment. No amendment to this Contract shall be effective and binding unless and until it is reduced to writing and signed by duly authorized representatives of both parties.

12.06 Choice of Law and Place of Performance. This Contract has been made under and shall be governed by the laws of the State of Texas. Performance and all matters related thereto shall be in Brazos County, Texas, United States of America.

12.07 Authority to do business. The Contractor represents that it has a certificate of authority, authorizing it to do business in the State of Texas, a registered agent and registered office during the duration of this contract.

12.08 Authority to Contract. Each party has the full power and authority to enter into and perform this Contract, and the person signing this Contract on behalf of each party has been properly authorized and empowered to enter into this Contract. The persons executing this Contract hereby represent that they have authorization to sign on behalf of their respective corporations.

12.09 Waiver. Failure of any party, at any time, to enforce a provision of this Contract shall in no way constitute a waiver of that provision nor in any way affect the validity of this Contract, any part hereof, or the right of the City thereafter to enforce each and every provision hereof. No term of this Contract shall be deemed waived or breach excused unless the waiver shall be in writing and signed by the party claimed to have waived. Furthermore, any consent to or waiver of a breach will not constitute consent to or waiver of or excuse of any other different or subsequent breach.

12.10 Contract Read. The parties acknowledge that they have read, understand and intend to be bound by the terms and conditions of this Contract.

12.11 Multiple Originals. It is understood and agreed that this Contract may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.

Sample

[CONTRACTOR]

CITY OF COLLEGE STATION

By: _____

By: _____

Printed Name: _____

City Manager

Title: _____

Date: _____

Date: _____

APPROVED:

City Attorney

Date

Assistant City Manager/CFO

Date

Sample

Exhibit "A"
SPECIFICATIONS

Sample

EXHIBIT "B"

INSURANCE REQUIREMENTS

During the term of this Agreement Contractor's insurance policies shall meet the following requirements:

- I. Standard Insurance Policies Required:
 - A. Commercial General Liability
 - B. Business Automobile Liability
 - C. Umbrella / Excess Liability – required for contract amounts exceeding \$1,000,000
 - D. Workers' Compensation
 - E. Builder's Risk – provides coverage for contractor's labor and materials for a project during construction that involves a structure such as a building or garage. builder's risk policy shall be written on "all risks" form.

- II. General Requirements Applicable to All Policies:
 - A. Only Insurance Carriers licensed and admitted to do business in the State of Texas will be accepted.
 - B. Deductibles shall be listed on the Certificate of Insurance and are acceptable only on a per occurrence basis for property damage only.
 - C. "Claims Made" policies are not accepted.
 - D. Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City of College Station.
 - E. Upon request, certified copies of all insurance policies shall be furnished to the City of College Station.
 - F. The City of College Station, its officials, employees and volunteers, are to be named as "Additional Insured" to the Commercial General, Umbrella and Business Automobile Liability policies. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officials, employees or volunteers.

- III. Commercial General Liability
 - A. General Liability insurance shall be written by a carrier with a "A:VIII" or better rating in accordance with the current Best Key Rating Guide.
 - B. Limit of \$1,000,000.00 per occurrence for bodily injury and property damage with an annual aggregate limit of \$2,000,000.00 which limits shall be endorsed to be per Project.
 - C. Coverage shall be at least as broad as ISO form GC 00 01.

- D. No coverage shall be excluded from the standard policy without notification of individual exclusions being attached for review and acceptance.
- E. The coverage shall include but not be limited to the following:
premises/operations with separate aggregate; independent contracts;
products/completed operations; contractual liability (insuring the indemnity provided herein) Host Liquor Liability, Personal & Advertising Liability; and
Explosion, Collapse, and Underground coverage.

IV. Business Automobile Liability

- A. Business Automobile Liability insurance shall be written by a carrier with a "A:VIII" or better rating in accordance with the current Best Key Rating Guide.
- B. Minimum Combined Single Limit of \$1,000,000.00 per occurrence for bodily injury and property damage.
- C. Coverage shall be at least as broad as Insurance Service's Office Number CA 00 01.
- D. The Business Auto Policy must show Symbol 1 in the Covered Autos Portion of the liability section in Item 2 of the declarations page.
- E. The coverage shall include owned autos, leased or rented autos, non-owned autos, any autos and hired autos.
- F. Pollution Liability coverage shall be provided by endorsement MCS-90, with a limit of \$1,000,000.00.

V. Excess Liability

Umbrella form excess liability coverage following the form of the underlying coverage with a minimum limit of \$5,000,000.00 or the total value of the contract, whichever is greater, per occurrence/aggregate when combined with the lowest primary liability coverage, is required for contracts exceeding \$1,000,000 in total value.

- VI. Those policies set forth in Paragraphs III, IV, and V shall contain an endorsement naming the City as Additional Insured and further providing that the Contractor's policies are primary to any self-insurance or insurance policies procured by the City. The additional insured endorsement shall be in a form at least as broad as ISO form GC 2026. Waiver of subrogation in a form at least as broad as ISO form 2404 shall be provided in favor of the City on all policies obtained by the Contractor in compliance with the terms of this Agreement. Contractor shall be responsible for all deductibles which may exist on any policies obtained in compliance with the terms of this Agreement. All coverage for subcontractors shall be subject to the requirements stated herein. All Certificates of Insurance and endorsements shall be furnished to the City's Representative at the time of execution of this Agreement, attached hereto as Exhibit D, and approved by the City before work commences.

VII. Workers Compensation Insurance

A. Pursuant to the requirements set forth in Title 28, Section 110.110 of the Texas Administrative Code, all employees of the Contractor, all employees of any and all subcontractors, and all other persons providing services on the Project must be covered by a workers compensation insurance policy: either directly through their employer's policy (the Contractor's or subcontractor's policy) or through an executed coverage agreement on an approved Texas Department of Insurance Division of Workers Compensation (DWC) form. Accordingly, if a subcontractor does not have his or her own policy and a coverage agreement is used, contractors and subcontractors must use that portion of the form whereby the hiring contractor agrees to provide coverage to the employees of the subcontractor. The portion of the form that would otherwise allow them not to provide coverage for the employees of an independent contractor may not be used.

B. Workers compensation insurance shall include the following terms:

1. Employer's Liability minimum limits of \$1,000,000.00 for each accident/each disease/each employee are required.
2. "Texas Waiver of Our Right to Recover From Others Endorsement, WC 42 03 04" shall be included in this policy.
3. Texas must appear in Item 3A of the Workers Compensation coverage or Item 3C must contain the following: All States except those listed in Item 3A and the States of NV, ND, OH, WA, WV, and WY.

C. Pursuant to the explicit terms of Title 28, Section 110.110(c) (7) of the Texas Administrative Code, the bid specifications, this Agreement, and all subcontracts on this Project must include the following terms and conditions in the following language, without any additional words or changes, except those required to accommodate the specific document in which they are contained or to impose stricter standards of documentation:

"A. *Definitions:*

Certificate of coverage ("certificate") – An original certificate of insurance, a certificate of authority to self-insure issued by the Division of Workers Compensation, or a coverage agreement (DWC-81, DWC-83, or DWC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project, for the duration of the project.

Duration of the project - includes the time from the beginning of the work on the project until the Contractor's/person's work on the project has been completed and accepted by the governmental entity.

Persons providing services on the project ("subcontractors" in § 406.096 [of the Texas Labor Code]) - includes all persons or entities performing all or part of the services the Contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the Contractor and regardless of whether that person has employees. This includes, without limitation, independent Contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which

furnishes persons to provide services on the project. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Services" does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.

- B. The Contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all employees of the Contractor providing services on the project, for the duration of the project.
- C. The Contractor must provide a certificate of coverage to the governmental entity prior to being awarded the contract.
- D. If the coverage period shown on the Contractor's current certificate of coverage ends during the duration of the project, the Contractor must, prior to the end of the coverage period, file a new certificate of coverage with the governmental entity showing that coverage has been extended.
- E. The Contractor shall obtain from each person providing services on a project, and provide to the governmental entity:
 - (1) a certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file certificates of coverage showing coverage for all persons providing services on the project; and
 - (2) no later than seven calendar days after receipt by the Contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project.
- F. The Contractor shall retain all required certificates of coverage for the duration of the project and for one year thereafter.
- G. The Contractor shall notify the governmental entity in writing by certified mail or personal delivery, within 10 calendar days after the Contractor knew or should have known, or any change that materially affects the provision of coverage of any person providing services on the project.
- H. The Contractor shall post on each project site a notice, in the text, form and manner prescribed by the Division of Workers Compensation, informing all persons providing services on the project that they are required to be covered, and stating how a person may verify coverage and report lack of coverage.
- I. The Contractor shall contractually require each person with whom it contracts to provide services on a project, to:
 - (1) provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all of its employees providing services on the project, for the duration of the project;

- (2) *provide to the Contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;*
- (3) *provide the Contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;*
- (4) *obtain from each other person with whom it contracts, and provide to the Contractor:*
 - (a) *A certificate of coverage, prior to the other person beginning work on the project; and*
 - (b) *A new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;*
- (5) *retain all required certificates of coverage on file for the duration of the project and for one year thereafter;*
- (6) *notify the governmental entity in writing by certified mail or personal delivery, within 10 calendar days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and*
- (7) *Contractually require each person with whom it contracts to perform as required by paragraphs (a) - (g), with the certificates of coverage to be provided to the person for whom they are providing services.*

J. By signing this contract, or providing, or causing to be provided a certificate of coverage, the Contractor is representing to the governmental entity that all employees of the Contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project; that the coverage will be based on proper reporting of classification codes and payroll amounts; and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the Commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the Contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.

K. The Contractor's failure to comply with any of these provisions is a breach of contract by the Contractor that entitles the governmental entity to declare the contract void if the Contractor does not remedy the breach within ten calendar days after receipt of notice of breach from the governmental entity."

VIII. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent, and shall contain the following provisions and warranties:

A. The company is licensed and admitted to do business in the State of Texas.

- B. The insurance policies provided by the insurance company are underwritten on forms that have been provided by the Texas State Board of Insurance or ISO.
- C. All endorsements and insurance coverages according to requirements and instructions contained herein.
- D. The form of the notice of cancellation, termination, or change in coverage provisions to the City of College Station.
- E. Original endorsements affecting coverage required by this section shall be furnished with the certificates of insurance.

Sample

EXHIBIT "C"

CERTIFICATE(S) OF INSURANCE

Sample



TEXAS A&M UNIVERSITY
PROCUREMENT SERVICES
P. O. BOX 30013
COLLEGE STATION, TX 77843-0013

REQUEST FOR BID

ANNUAL FUEL CONTRACT

RFB # MAIN #14-0031

BID MUST BE RECEIVED BEFORE:
2:00 P.M. on August 1, 2014

MAIL BID TO:

Texas A&M University
Procurement Services
P. O. Box 30013
College Station, TX 77842-3013

**HAND DELIVER AND/OR
EXPRESS MAIL TO:**

Texas A&M University
Procurement Services
Agronomy Road
College Station, TX 77843-1477

Show RFB Number, Opening Date and Time on Return Envelope

NOTE: BID must be time stamped at **Texas A&M University Procurement Services**
before the hour and date specified for receipt of offer.

Sealed bids will be received until the date and time established for receipt.

REFER INQUIRIES TO:

Patty Winkler
Texas A&M University
Procurement Services
979-845-4556
e-mail: p-winkler@tamu.edu

Participating Entities:

Brazos County
Brazos Valley Solid Waste Management Agency
Bryan Independent School District
City of Bryan
City of College Station
College Station Independent School District

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SECTION 1

INTRODUCTION

1.1 Introduction

Texas A&M University and other participating entities are seeking bids from interested vendors for an “Annual Fuel Contract” to include unleaded, diesel and, bio-diesel fuel for their use.

A pre-bid meeting is scheduled for **Friday July 18, 2014 @ 2:30 p.m. CST, at the Brazos County Administration Building located at 200 South Texas Ave, Suite 106, Bryan TX 77803. Free parking is available in the public parking lot located on 27th and 28th street on each side of the building. Parking garage is free for up to one hour.** Vendors are highly encouraged to attend the meeting. Please e-mail Patty Winkler @ p-winkler@tamu.edu and indicate the number of people attending for your company **NO LATER THAN Wednesday, July 16, 2014.**

By submitting responses, each respondent certifies that it understands this bid and has full knowledge of the scope, nature, quality, and quantity of the work to be performed, the detailed requirements of the services to be provided, and the conditions under which the services are to be performed. Each respondent also certifies that it understands that all costs relating to preparing and responding to this bid will be the sole responsibility of the Respondent.

RESPONDENTS ARE CAUTIONED TO READ THE INFORMATION CONTAINED IN THIS BID CAREFULLY AND TO SUBMIT A COMPLETE RESPONSE TO ALL REQUIREMENTS AND QUESTIONS AS DIRECTED.

1.2 Brief History and Current Environment

Texas A&M University

Established in 1876, Texas A&M University has since grown to become a world leader in teaching, research, and service with an international reputation for excellence. Current enrollment is in excess of 50,000 students; Texas A&M is the fifth largest among U.S. universities with an operating budget of \$1,000,000,000. As a state/public institution of higher education, Texas A&M is governed by the Texas State Constitution, State legislation and statutes, Texas A&M University System Policies and Regulations and University rules.

The University is committed to 1) promoting and encouraging the use of Historically Underutilized Businesses (HUBs) in all purchasing transactions on a prime contract and subcontract basis, and 2) promotes full and equal business opportunities for all. Minimum steps and requirements to fulfill the state’s HUB policy are found in Texas Administrative Code 111.11 through 111.28.

City of Bryan

The City of Bryan is located in Central Texas between Austin and Houston. The City of Bryan was incorporated in 1872. The original square-mile town site now consists of more than 43.4 square miles. The 2003 population estimate for Bryan is 67,774.

The City of Bryan is a home-rule city that operates under the Council-Manager form of government. The City provides a full range of municipal services as prescribed by statute or charter. These services include police, fire and emergency medical services, parks and recreational facilities, library services, street maintenance and construction, public improvements, general administrative services and electrical, water, sewer, and sanitation systems.

City Charter, Council minutes, Budget information, maps and a wealth of miscellaneous information about the City of Bryan can be found online at www.bryantx.gov.

College Station I.S.D.

College Station Independent School District has a current enrollment of 9755 for school year ending 2008-2009. The annual operating budget is approximately \$90 million and the staff employment is 1382. The district currently has 13 campuses. The recently approved 2009 Bond Package includes the construction of an eighth elementary school, second high school, transportation center and the purchase of new school buses

Bryan Independent School District

Founded in 1880, the mission of the Bryan ISD, the community's center of learning, is to educate our youth to achieve their potential by providing a safe and challenging environment where standards are high and learning is the priority. Bryan ISD serves the residents of approximately 453 square miles in Brazos County. Almost 15,000 students attend our 25 campuses supported by 8 administrative facilities. The annual operating budget for 2008-2009 was near \$125 million, and staff employment exceeds 2200. Successful passage of bond elections in 2005 and

2008, with many projects already completed and others under development, is ensuring that Bryan ISD is ready to meet future growth needs.

Brazos County

Brazos County was established as we know it today in 1841. Set between the Navasota and Brazos Rivers, the new population began to thrive on a primarily agrarian existence. The establishment of Texas A&M University in what came to be known as College Station and the Air Force Base in Bryan, kept the communities supplied with a steady supply of bright and hardworking people who would set the standards for the generations to come.

Today the Cities of Bryan and College Station are the hubs of the County and are supplemented by communities like Edge, Kurten, Wellborn, Millican and others that help us maintain a rural atmosphere in the County.

Brazos County is governed by the County Judge and four Commissioners who make up the Commissioner's Court. This Court has responsibility for areas of the County that are not currently incorporated by the cities.

City of College Station

The City of College Station is located in East Central Texas, approximately 140 miles north of the Gulf of Mexico, conveniently located in Brazos County 90 miles northwest of Houston, 165 miles south of Dallas and 100 miles east of Austin. The City's estimated population is 100,257 as of April, 2014.

The City of College Station is governed under a home rule charter, has a Council-Manager form of government, and is organized under the Constitution and Laws of the State of Texas. The City provides a full range of municipal services including police, fire, emergency medical services, parks and recreation, street maintenance, electric, water, and sanitation services.

City Charter, Council minutes, Budget information and a wealth of miscellaneous information about the City of College Station can be found on line at www.cstx.gov.

Brazos Valley Solid Waste Management Agency (BVSWMA)

The Brazos Valley Solid Waste Management Agency, Inc. is a non-profit local governmental corporation formed in 2010 under a joint agreement between the City of Bryan and the City of College Station. BVSWMA, Inc. operates the Twin Oaks Landfill in Anderson, Texas and the Compost Facility in Bryan, Texas. BVSWMA, Inc. also maintains the closed Rock Prairie Road Landfill in College Station, Texas.

1.3 Term of Agreement

The University and other participating entities intends to enter into an agreement with the successful Respondent for a one (1) year period with the option to renew for an additional four (4) twelve (12) month periods, one (1) year at a time, with all terms and conditions remaining firm. Percentage of mark-up quoted shall be held firm for the duration of the original agreement and any renewals and/or extensions. The beginning and ending date for each entity may vary, depending on each entity fiscal year requirements. For example – September 1st to August 31st or January 1st to December 31st.

1.4 Award

Texas A&M University and other participating entities prefer to award the entire contract to a single vendor; however, we reserve the right to split the bid and make multiple awards based on the needs and Best Value criteria for the ordering entity.

1.5 Commitment

Once an agreement is reached, Vendor shall be obligated to adhere to the final agreement.

1.6 Schedule of Events

The review and approval of RFB process is a multi-step process which requires variable amounts of time.

Responders are advised that the projected dates as listed in the “Tentative Timetable” may change as required.

Tentative Timetable

RFB available	07/08/2014	5:00 p.m.
Pre-RFB meeting	07/18/2014	2:30 p.m.
Deadline for questions	07/23/2014	5:00 p.m.
Response to questions.....	07/28/2014	5:00 p.m.
Deadline for bid responses.....	08/01/2014	2:00 p.m.
Evaluation of RFB Completed.....	08/15/2014	5:00 p.m.
Formal Execution of Agreement (Projected).....	08/31/2014	5:00 p.m.

SECTION 2

SPECIFICATIONS**2.1 Scope of Work**

Texas A&M University has joined with other participating entities in soliciting bids for annual requirements for unleaded gasoline, diesel, dyed diesel and bio-diesel fuels used in their respective fleet of vehicles, and to establish a working contract for a designated period. It is the intent of Texas A&M University and participating entities to select a single vendor to accomplish and/or supply all commodities or services outlined in this bid; however, the participating entities reserve the right to award separate contracts for any one item listed on the bid sheets. All fuel would be ordered by the participating entities independently, on an "as/if needed" basis with no guaranteed quantities to the vendor. Bidder agrees to extend prices quoted here-in to any other public entity, state agency and/or institutions of higher education as described in Section 51.9335 Education Code.

All bids must be submitted on the forms furnished in the bid package and must be in accordance with the terms, conditions and requirements and specifications contained herein.

Listing of the participating entities, but not limited to:

Brazos County
Brazos Valley Solid Waste Management Agency (BVSWMA)
Bryan Independent School District
City of Bryan
City of College Station
College Station Independent School District
Texas A&M University

2.2 Cancellation of Contract

If the Supplier fails to perform in the manner specified in this contract or for reasons such as, but not limited to, consistent poor service, unsafe habits or misrepresentation of product, Texas A&M University or other participating entity shall have the right to cancel the contract(s) by providing the Supplier with thirty (30) days written notice.

Upon award, any order is subject to cancellation, either in whole or in part, if funds are not appropriated by the Texas Legislature, appropriate governing board or otherwise made available to the using agency.

The agreement may be terminated, without penalty, by Texas A&M or other participating entity without cause by giving thirty (30) days written notice of such termination to the seller.

2.3 Supplier Rights and Duties

The Supplier(s) shall have the exclusive right and duty to provide and deliver to Texas A&M University and other participating entities its requirements of the products listed herein during the period designated.

2.4 Product Use

All products listed herein will be used exclusively in vehicles and equipment owned, leased, on loan or operated by Texas A&M University or other participating entity.

2.5 Specific Delivery and Ordering Information

Orders for delivery shall be made by phone, fax or email and a purchase order number referenced. Deliveries are to be made by the end of the next working day from the date the order is placed. Supplier is required to furnish the name of the person to contact, and the telephone number to place delivery orders. The participating entities reserve the right to inspect bulkheads and to measure content of tanks before, at the time of and/or after delivery. All deliveries are to be made during normal working hours of 8:00 a.m. to 4:00 p.m., Monday through Friday, excluding holidays, and will be made to the following locations:

2.5.1 Delivery Locations & Storage Capacity**CITY OF BRYAN****Municipal Services Center – 1111 Waco Street, Bryan, Tx**

Tank No. 1 – Unleaded	11,500 gallons-underground
Tank No. 2 – Unleaded	11,500 gallons-underground
Tank No. 3 – Diesel	11,500 gallons-underground

Fountain Street Fuel Center - Fountain Avenue, Bryan, Tx

Tank No. 1 – Unleaded	10,000 gallons-above ground
Tank No. 2 – Diesel	10,000 gallons-above ground

CITY OF COLLEGE STATION**Public Services – 2613 Texas Ave., College Station, Tx**

Tank No. 1 – Unleaded	8,000 gallons-underground
Tank No. 2 – Diesel	8,000 gallons-underground

Utility Services Center – 1601 Graham Rd., College Station, Tx

Tank No. 1 – Unleaded	6,000 gallons-underground
Tank No. 2 – Unleaded	6,000 gallons-underground
Tank No. 3 – Diesel	4,000 gallons-underground

Carter Creek Wastewater Treatment Plant – 1 mile off Earl Rudder Freeway, 2200 N. Forest Pkwy, College Station, Tx

Tank No. 1 - Unleaded	500 gallons-above ground
Tank No. 2 – Diesel	500 gallons-above ground

Police, 2613 Texas Avenue South, College Station, Tx

Tank No. 1 – Diesel	550 gallons-underground for emergency generators
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BVSWMA**Twins Oaks Land Field at 2690 Hwy 30, Anderson, TX**

Tank No. 1 - Diesel	10,000 gallons-above ground
Tank No. 2 – Unleaded	500 gallons-above ground

TEXAS A&M UNIVERSITY**Transportation Services-College Station, TX**

Tank No. 1 – Diesel	12,000 gallons-underground
Tank No. 2 – Diesel	12,000 gallons-underground
Tank No. 3 – Unleaded	12,000 gallons-underground

Brayton Fire Field-College Station, TX

Tank No. 1 – Unleaded	1,000 gallons-above ground
Tank No. 2 – Diesel	1,000 gallons-above ground

Utilities-College Station, TX

Tank No. 1 - Diesel	150,000 gallons- underground
Tank No. 2 - Diesel	1 million gallons – above ground
Tank No. 3 - Diesel	15,000 gallons – underground
Tank No. 4 - Diesel	5000 gallon – above ground

BRAZOS COUNTY**Brazos County Road & Bridge Department, 2617 Highway 21 West, Bryan, Tx**

Tank No. 1 – Unleaded	15,000 gallons-above ground
Tank No. 2 – Diesel	10,000 gallons- above ground
Tank No. 3 – Dyed Diesel	5,000 gallons – above ground

Exposition Complex, 5827 Leonard Rd, Bryan, TX

Tank No. 1 – Dyed Diesel	500 gallons – above ground
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COLLEGE STATION INDEPENDENT SCHOOL DISTRICT**1812 Welsh College Station, Texas 77840**

Tank No. 1 - Unleaded	10,000 gallons-underground
Tank No. 2 - Diesel	10,000 gallons-underground

Transportation Center – 9304 Rock Prairie Rd, College Station, TX

Tank No. 1 – Unleaded	10,000 gallons – above ground
Tank No. 2 – Diesel	20,000 gallons – above ground

BRYAN INDEPENDENT SCHOOL DISTRICT**3000 Bonham Drive, Bryan, Tx 77803**

Tank No. 1 - Unleaded	5,000 gallons-underground
Tank No. 2 - Diesel	10,000 gallons-underground

2.6 Product Estimates

Quantities shown are the participating entities estimates only, based on actual previous and anticipated annual usage. A tabulation of bids will be prepared based on the estimated usage. The participating entities do not guarantee to purchase any given quantity and shall not be held liable to purchase any excess stock carried by the Supplier upon termination of the contract.

Entity	No. Lead-87	Diesel	Dyed Diesel	Bio-Diesel
City of Bryan	230,000	300,000		
City of College Station	230,000	300,000		
Brazos County	200,000	80,000	20,000	
BVSWMA	2,000	176,000		
Bryan I.S.D	40,000	140,000		
College Station I.S.D.	40,000	150,000		
Texas A&M University	260,210	257,519		252,203
Total Gallons				

**College Station I.S.D. is interested in utilizing bio-diesel, depending on price. Usage of diesel would decrease with this change.*

2.7 Net Delivery

All fuel deliveries shall be on a net gallon basis temperature corrected to API Gravity at 60° F. Proper measurement must be verified by Tank Truck Bill of Lading or by temperature adjusted tank strapping's showing net volume at delivery.

2.8 Failure to Deliver

If delivery is not accomplished within the time frame specified and agreed upon as specified herein, the participating entities reserve the right to procure the product on the open market. It shall also be the participating entities right to bill the supplier the difference between the contract price and the open market price as liquidated damages of actual cost to the participating entities.

2.9 Priority Deliveries

Texas A&M University and participating entities are governmental entities and as such must provide continuous law enforcement and emergency services for its students and citizens. In case of any vehicle fuel shortage, Texas A&M University and participating entities will expect and require that they are treated as a priority customer. The successful vendor agrees to make every effort to provide sufficient deliveries to meet the needs of our law enforcement and emergency services in a timely manner.

2.10 Product Specifications

- Regular unleaded gasoline, ASTM Designation D439 (Most recent issue) with a minimum octane rating of 87 (R=M/2 Method), and a high level of detergent as recommended for all engines with fuel injection systems.
- Mid-grade unleaded gasoline, ASTM Designation D439 (Most recent issue) with a minimum octane rating of 89 (R=M/2 Method), and a high level of detergent as recommended for all engines with fuel injection systems.
- Premium unleaded gasoline, ASTM Designation D439 (Most recent issue) with a minimum octane rating of 92/93 (R=M/2 Method), and a high level of detergent as recommended for all engines with fuel injection systems.
- No. 2 Diesel Fuel, ASTM Designation D975 (Most recent issue) with a minimum Cetane number of 40. Diesel fuels shall meet ASTM D-1552 for Sulfur Test and ASTM D482.
- No. 2 Dyed Diesel Fuel, ASTM Designation D975 (Most recent issue) with a minimum Cetane number of 40. Diesel fuels shall meet ASTM D-1552 for Sulfur Test and ASTM D482.
- Bio-Diesel, - Blend to meet ASTM D 6751 and ASTM D 975, shall include a mixture of the following AF – Animal Fat, RME – Rapeseed Methyl Esters, SME – Soy Methly Esters, YGME – yellow Grease Methyl Esters, PALM – Palm Oil, BRWN – Brown Grease, Mult – Multiple Feedstocks, CMBN – combined Average, CE – Camelina or CSME – Cottonseed oil, Range: B1-B20

2.11 Product Quality

Fuels to be supplied under this contract shall meet the specifications listed above and be free from contamination. The participating entities reserve the right to test fuel quality upon delivery, prior to and after unloading. Should test results show that fuel contains contamination, it will be rejected. The vendor shall be responsible for pumping out of the fuel tank(s), any water and any other associated cost of removal/cleanup of site(s) when notified.

For purpose of this specification, contamination is defined as any element which enters pure refined gasoline or diesel fuel either naturally or by purposeful action which is not a product of refined crude oil with the exception of winter additives, detergents, and identifying dies. Any amount of alcohol is considered contamination and will not be allowed.

The vendor shall be responsible for the removal of the fuels from the participating entities property within three (3) working days after requested to do so should laboratory test results show fuel contains any level of alcohol or other contaminants. The vendor shall also be responsible for all clean up required to all participating entities property, storage facilities, and equipment as a result of noncompliance with specifications. Furthermore, the vendor shall be fully responsible for any and all cost incurred by the participating entities for any equipment sustaining damage which is attributed to contaminated fuel(s) which the vendor has delivered.

2.12 **Specific Invoicing and Payment**

Deliveries are to be invoiced separately per location, and each invoice shall consist of an original and at least one (1) copy. The successful bidder must supply one (1) copy of the applicable OPIS Pad 3 Net Report for Hearne, Texas with each invoice. The participating entities agree to pay for all fuel delivered and accepted under this contract within 30 calendar days from receipt of product or valid invoice, whichever is the later. All invoices for fuel delivered and accepted under this contract shall be mailed to the correct participating entity at the following addresses.

Mail to: **City of Bryan**
Accounts Payable
P.O. Box 1000
Bryan, TX 77805

City of College Station
Accounting Department
P.O. Box 9973
College Station, TX 77845

Brazos County
Brazos County Auditors Office
ATTN: Beverly Murph
200 South Texas Ave., Suite 218
Bryan, Texas 77803

Bryan Independent School District – Transportation Department
Business Services Office
101 North Texas Avenue
Bryan, TX 77803

College Station Independent School District
Purchasing Department Transportation Center
2000 Welsh Ave 9304 Rock Prairie Rd
College Station, Texas 77840 College Station, TX 77845

BVSWMA
Accounting Department
PO Box 9973
College Station, TX 77845

Texas A&M University
Numerous addresses at various locations

2.13 **Spillage and Cleanup**

The Supplier shall be held responsible for all spillage which may occur during transit and unloading. The Supplier shall immediately report any spillage to the participating entities and clean up the spill. Failure to do so shall initiate corrective action and retro charges to the Supplier for any cost incurred to the participating entities for cleanup of spillage. The Supplier is responsible for reporting spillage to the participating entities and all other governmental entities as required by law and/or regulations. Delivery truck must have a method of controlling vapors while unloading into underground tanks.

2.14 Pricing and Bid Preparation

The following procedure will be used to price and prepare the bid:

All fuel deliveries shall be on a net gallon basis temperature corrected to 60 degrees Fahrenheit. Proper measurement must be verified by Tank Truck Bill of Lading.

The price per gallon of fuel shall be determined by applying the vendor’s bid amount for profit per gallon to the average rack for bio-diesel and unbranded average per gallon price listed in the “Oil Price Information Service” (OPIS) Pad 3 Net Report for Hearne, Texas, as in effect on the day of delivery.

For purposes of bid evaluation, prices quoted will be based upon the average rack for bio-diesel and unbranded average for unleaded and diesel and assuming a delivery date of July 2, 2014. Samples of the OPIS Rack Fax are provided for reference and correspond with the sample pricing in (Section 6). All bidders must figure the average rack price per gallon + bid amount for profit per gallon = Total Unit Price per Gallon. The “Oil Price Information Service” (OPIS) Pad 3 Net Report for Hearne, Texas, as in effect on July 2, 2014 shall be included with your bid response to provide documentation of your offered pricing in this RFB.

The amount bid for profit must be a firm fixed unit amount per gallon during the contract; the profit shall be set to four (4) decimal places, and shall be identified in the vendor’s bid. **This per gallon profit shall include any and all costs involved with the supply and delivery of gasoline, diesel and bio-diesel fuel to the participating entities with the exception of any applicable State Fuel Tax and the Petroleum Product Delivery Fee. This amount per gallon must be entered in Item B on the bid sheet.**

The participating entities are exempt from certain Federal Excise, State Sales and Transportation Taxes. The participating entities upon request will execute Tax Exemption Certificates. All participating entities, with the exception of the school districts, are subject to the State of Texas Road Tax @ .20/gallon. All entities are subject to the State of Texas Petroleum Product Delivery Fee. These specific taxes, state imposed fees and unloading fees **MUST NOT BE INCLUDED IN THE BID**. These taxes and fees must be itemized on all invoices to the participating entity. Unloading fees will not be permitted in the bids or subsequent invoices.

The only acceptable change in the fees proposed during the contract term or any extension option would be in the event that the State of Texas or the Federal Government makes adjustments in the fee levels of the State Petroleum Product Delivery Fee or the Federal Super Fund. The successful vendor may then pass these changes on to the participating entity if sufficient documentation can be provided for the proposed changes from the respective governing body(s). Any change in these specific fees will become effective thirty (30) days after the contractor and the participating entity agree to the change. The participating entities reserve the right to cancel this contract within thirty (30) days notice if the requested change in fees is not documented to the participating entity’s satisfaction.

2.16 References

Bidders shall provide a list of at least five (5) references where services comparable in size and scope have been performed in the last five (5) years. References shall include Company Name, Contact Person, Company Address, Telephone & Fax Number and Email Address. Texas A&M University and participating entities reserves the right to contact these references to verify the vendor’s ability to perform these services. A negative reference may be grounds for the disqualification of your bid.

Company Name	Contact	Address	Telephone/Fax	Email

SECTION 3

GENERAL INFORMATION

3.1 Submittal Deadline and Location

- 3.1.1 All bids must be received by Texas A&M no later than **2:00 P.M. CST on August 1, 2014.**
 3.1.2 Bids are to be submitted to:

U. S. POSTAL SERVICE: Texas A&M University Procurement Services P. O. Box 30013 College Station, TX 77842-3013	HAND DELIVER AND/OR EXPRESS MAIL TO: Texas A&M University Procurement Services Agronomy Road College Station, TX 77843-1477
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Late bids properly identified will be returned to Respondent unopened. Late bids will not be considered under any circumstances.

3.2 Submittal Instructions

- 3.2.1 Bidders shall respond to the bid on the pages provided in Section 6.
- 3.2.2 Bidders including Certification and Authorization (Attachment C) must be signed by Respondent's company official authorized to commit such bids. Failure to sign the Execution of Offer may be basis for bid disqualification.
- 3.2.3 **One original and seven (7) hard copies and eight (8) CD or USB Flash drive copies** of the bid response is required in the exact order of the hard copy submitted. All CD copies must in **Adobe Portable Document Format (PDF)**. If complete CD copies of entire proposal and all documentation are unavailable, please submit eight (8) hard copies.

NOTE: The original signature on one (1) hard copy will serve as the official signature of record for all CD copies.

Bid package (box/carton) must indicate on the lower left-hand corner the submitter's company name, the proposal opening date, and RFB number. *Late Bids will not be opened and will be returned to the bidder.*

Telephone and/or facsimile (Fax) responses to this RFB are not acceptable.

3.3 Texas A&M Contacts

All questions must be sent to:

Patty Winkler, CTP, C.P.M.
p-winkler@tamu.edu

Texas A&M specifically requests that Respondents restrict all contact and questions regarding this RFB to the above named individuals. **Deadline for questions is July 23, 2014 @ 5:00 P.M. CST.**

3.4 Inquiries and Interpretations

Responses to inquiries which directly affect an interpretation or change to this RFB will be issued in writing by addendum (amendment) and e-mailed, faxed or mailed to all parties recorded by Texas A&M as having received a copy of the RFB. All such addenda issued by Texas A&M prior to the time that bids are received shall be considered part of the RFB, and the Respondent shall consider and acknowledge receipt of such in their bid.

Only those Texas A&M replies to inquiries which are made by formal written addenda shall be binding. Oral and other interpretations or clarification will be without legal effect.

3.5 Open Records

Texas A&M considers all information, documentation and other materials requested to be submitted in response to this solicitation to be of a non-confidential and/or non-proprietary nature and therefore shall be subject to public disclosure under the Texas Public Information Act (Texas Government code, Chapter 552) after an agreement is awarded.

Respondents are hereby notified that Texas A&M strictly adheres to all Statutes, court decisions and the opinions of the Texas Attorney General regarding the disclosure of RFB information.

3.6 Terms and Conditions

The Terms and Conditions (ref. Section 4) shall govern any Agreement issued as a result of this solicitation RFB.

Additional or attached terms and conditions which are determined to be unacceptable to Texas A&M and participating entities may result in the disqualification of your bid. Examples include, but are not limited to, liability for payment of taxes, subjugation to the laws of another State, and limitations on remedies.

3.7 RFB Components

The following documents are to be returned as part of your RFB submittal:

- ✓ Signed Certification and Authorization (Attachment C)
- ✓ HUB Subcontracting Plan (Attachment F)
- ✓ Bid pricing form (see Section 6)
- ✓ One original and seven (7) copies and eight (8) *virus free* CD ROM or USB Flash Drive copies (see Section 3.2.3)
- ✓ Felony Conviction Notification (Attachment D)
- ✓ References
- ✓ OPIS Rack Fax Sheets, dated July 2, 2014 for all fuels

SECTION 4

GENERAL TERMS AND CONDITIONS

4.1 General

These General Terms and Conditions shall be made a part of and govern any Agreement/Purchase Orders resulting from this Request for Bid.

Each bid should be prepared simply and economically, providing a straightforward and concise description of Respondent's ability to meet the requirements of this RFB. Emphasis should be on completeness, clarity of content and responsiveness to the offer requirements.

Texas A&M University (TAMU) and other participating entities reserves the right to accept or reject any or all offers, to waive informalities and technicalities, to accept the offer considered most advantageous and award based on "Best Value". Causes for rejection of a bid may include but shall not be limited to the bidder's current violation of any City ordinance, the bidder's current inability to satisfactorily perform the work or service, or the bidder's previous failure to properly and timely perform its obligations under a contract with the Texas A&M or other participating entity. Bidders may be disqualified and rejection of bids may be recommended for any (but not limited to) of the following causes: 1) Failure to use the bid form furnished by the Owner; 2) Lack of signature by the authorized representative on the bid form; 3) Failure to properly complete the bid; 4) Evidence of collusion among bidders; or 5) Unauthorized alteration of bid form. Texas A&M University and other participating entities reserve the right to waive any minor informality or irregularity. Additionally, all respondents are hereby notified that Texas A&M and other participating entities shall consider all factors it believes to be relevant in the determination of the "Best Value" including, but not limited to: past experience, references, vendor's ability to meet required specifications, and price. TAMU's decision is final.

Bids are to be valid for a minimum of 180 days from the submittal deadline date to allow time for evaluation, selection, and any unforeseen delays.

Failure to comply with the requirements contained in this Request for Bid may result in the rejection of the bid.

The bidder agrees to protect the State and other participating entities from claims involving infringement of patents or copyrights.

The bidder hereby assigns to purchaser, any and all claims for overcharges associated with any contract resulting from this RFB which arise under the antitrust laws of the United States 15 U.S.C.A. Section 1, et seq. (1973) and which arise under the antitrust laws of the State of Texas, Texas Business and Commercial Code Ann. Sec. 15.01, et seq. (1967).

No substitutions or cancellations permitted without written approval of Texas A&M Procurement Services and other participating entities.

Delivery shall be made during normal working hours only, unless vendor obtains approval for late delivery.

Questions should be directed to the Texas A&M Procurement Services official identified in Section 3.3 of this Request for Bid.

Bids and any other information submitted by Respondent in response to this Request for Bid shall become the property of Texas A&M.

Texas A&M will not provide compensation to Respondents for any expenses incurred by the Respondent(s) for bid preparation, product evaluations or demonstrations that may be made, unless otherwise expressly indicated.

Bids which are qualified with conditional clauses, alterations, items not called for in the RFB documents, or irregularities of any kind are subject to disqualification by Texas A&M at its option.

4.2 Definitions

Whenever the following terms are used in these General Terms and Conditions or in other documents the intent and meaning shall be interpreted as follows:

RFB shall mean Request for Bid.

Bid shall mean Respondents offer

Texas A&M shall mean Texas A&M University and other system parts.

Respondent shall mean the individual, partnership, corporation, or other entity responding to this RFB.

Vendor shall mean the individual, partnership, corporation, or other entity awarded an agreement for labor or for equipment & supplies under this RFB in accordance with the terms, conditions, and requirements herein.

HUB shall mean Historically Underutilized Business.

Agreement shall mean an agreement, documented by written instrument, between Texas A&M and participating entities and the successful respondent to provide unleaded, diesel and bio-diesel fuel to Texas A&M and other participating entities.

Participating Entities shall mean all other parties other than Texas A&M University that have entered or will enter into a joint purchasing interlocal cooperative agreement with Texas A&M University, if required.

4.3 Time of Performance

Time is of the essence in the rendering of services. Seller agrees to perform all obligations and render services set forth per this proposal.

4.4 Default

In the event that the Seller fails to carry out or comply with any of the terms and conditions of the agreement with Texas A&M and participating entities, Texas A&M and/or participating may notify the Seller of such failure or default in writing and demand that the failure or default be remedied within ten (10) days; and in the event that the Seller fails to remedy such failure or default within the ten (10) day period, Texas A&M and participating entities shall have the right to cancel the agreement upon thirty (30) days written notice.

The cancellation of the Agreement, under any circumstances whatsoever, shall not effect or relieve Seller from any obligation or liability that may have been incurred or will be incurred pursuant to the agreement and such cancellation by Texas A&M and participating entities shall not limit any other right or remedy available to Texas A&M and participating entities at law or in equity.

4.5 Agreement Amendments

No modification or amendment to the agreement shall become valid unless in writing and signed by both parties. All correspondence regarding modifications or amendments to the agreement must be forwarded to the Texas A&M Procurement Services Department or participating entities governing body for prior review and approval. Only the contract administrator within Texas A&M or governing boards will be authorized to sign changes or amendments.

4.6 Independent Vendor Status

Seller agrees that Seller and Seller's employees and agents have no employer-employee relationship with Texas A&M and participating entities. Texas A&M and participating entities shall not be responsible for the Federal Insurance Contribution Act (FICA) payments, federal or state unemployment taxes, income tax withholding, Workers Compensation Insurance payments, or any other insurance payments, nor will Texas A&M and participating entities furnish any medical or retirement benefits or any paid vacation or sick leave.

4.7 Right to Audit

At any time during the term of this agreement and for a period of four (4) years thereafter Texas A&M and participating entities or duly authorized audit representative of Texas A&M, or the Texas A&M University System or participating entities, at its expense and at reasonable times, reserves the right to incrementally audit Seller's records and manufacturer's pricing relevant to all pricing provided under this agreement. In the event such an audit by Texas A&M or participating entities reveals any errors/overpayments by Texas A&M or participating entities, Seller shall refund Texas A&M or participating entities the full amount of such overpayments within thirty (30) days of such audit findings, or

Texas A&M and participating entities at its option, reserves the right to deduct such amounts owing Texas A&M and participating entities from any payments due Seller.

4.8 Sales and Use Tax

Texas A&M and participating entities, as an agency of the State of Texas, qualifies for exemption from State and Local Sales and Use Taxes pursuant to the provisions of the Texas Limited Sales, Excise, and Use Tax Act. The Seller may claim exemption from payment of applicable State taxes by complying with such procedures as may be prescribed by the State Comptroller of Public Accounts.

4.9 Observance of Texas A&M and Participating Entities Rules and Regulations

Seller agrees that at all times its employees will observe and comply with all regulations of the facilities, including but not limited to parking and security regulations.

4.10 Non-Disclosure

Seller and Texas A&M and participating entities acknowledge that they or their employees may, in the performance of the resultant agreement come into the possession of proprietary or confidential information owned by or in the possession of the other. Neither party shall use any such information for its own benefit or make such information available to any person, firm, corporation, or other organizations, whether or not directly or indirectly affiliated with Seller or Texas A&M and participating entities unless required by law.

4.11 Publicity

Seller agrees that it shall not publicize this agreement or disclose, confirm or deny any details thereof to third parties or use any photographs or video recordings of Texas A&M or participating entities' name in connection with any sales promotion or publicity event without the prior express written approval of Texas A&M and participating entities.

4.12 Severability

If one or more provisions of the resultant agreement, or the application of any provision to any party or circumstance, is held invalid, unenforceable, or illegal in any respect, the remainder of the agreement and the application of the provision to other parties or circumstances shall remain valid and in full force and effect.

4.13 Non-Waiver of Defaults

Any failure of Texas A&M or participating entities at any time, to enforce or require the strict keeping and performance of any of the terms and conditions of this agreement shall not constitute a waiver of such terms, conditions, or rights, and shall not affect or impair same, or the right of Texas A&M and participating entities at any time to avail itself of same.

4.14 Governing Law

This agreement shall be construed and governed by the laws of the State of Texas. The parties agree that performance and all matters related thereto shall be in a state court of competent jurisdiction in Brazos County, Texas and further that neither party will seek to remove such litigation to the federal court system by application of conflict of laws or any other removal process to any Federal Court or court not in Texas.

4.15 Intellectual Property

Pursuant to the Agreement, the University will license specified uses of certain of its intellectual property and assets during the Term of the Agreement, as contemplated herein. However, TAMU shall, in all cases, retain exclusive ownership of any and all such intellectual property and assets, including any and all derivative property and assets developed during the Term of the Agreement. The Proposer shall acknowledge TAMU's ownership of its intellectual property in the Agreement and shall agree to assign any and all such intellectual property to TAMU at the expiration or termination of the Agreement, if requested by TAMU.

4.16 Payment Terms

Payments shall be made 30-days after receipt of approved invoices. Invoices should be submitted on a monthly basis and terms will be Net 30 days. Late charges will be paid only as allowable by laws of the State of Texas. All invoices are to be submitted and charges verified by the designated Transportation Services personnel. Payment will be made for services rendered. Any discrepancies in billing will be resolved by the Contractor and Texas A&M University.

4.17 Felony Conviction Notification

All bidders must submit with their bid the Felony conviction Notification form (**Attachment E**). Failure to acknowledge and submit the completed Felony Conviction Notification form may be cause for the reject of your response

4.18 Assignment of Contract

This contract cannot be transferred or assigned to another party without the written consent of Texas A&M or participating entities purchasing Agent or other participating entities and may be subject to cancellation if such consent is not requested.

4.19 Error-Quantity

Bids must be submitted on units of quantity specified. In the event of errors in extended prices, the unit price shall govern. Any suggested quantity to secure better prices is welcomed. When discrepancies occur between words and figures, the words shall govern.

4.20 Quantities

Quantities indicated in the bid are estimated based upon the best available information. Texas A&M University and other participating entities reserves the right to increase or decrease the quantities by any amount deemed necessary to meet its needs without any adjustments in the unit bid prices.

4.21 Withdrawal-Alternation of Bids

Bids cannot be altered after receiving time or opening time. No bid may be withdrawn after opening time without acceptable reason in writing and with the approval of the purchasing agent.

4.22 Payment of Invoices

Invoices must be submitted by the successful bidder in duplicate to the addresses listed for each participating entity. All invoices are to be paid in full within thirty (30) days after satisfactory delivery and billing, whichever is the later.

4.23 Cash Discounts

Bidders may quote additional cash discount terms in the Case Discount Column. If no discount is shown, prices are to be assumed net. Discount period to be started from the date of completion of entire order or date of receipt of invoice, whichever occurs last regardless of date of invoice.

Bids offering discounts for prompt payment via use of EFT or if invoice is paid within ten (10) days, are encouraged. Bidders to indicate terms of early payment discounts and provide percentage of discounts as applicable.

4.24 Liability

The successful Bidder will be liable for all damages while in the performance of services pursuant to this request.

4.25 Material Safety Data Sheets

MSDS's must be provided prior to or with receipt of order, and when revised as applicable.

4.26 Conflict of Interest Disclosure Questionnaire

Chapter 176 of the Texas Local Government Code mandates the public disclosure of certain information concerning persons doing business or seeking to do business with the participating entities, including affiliations and business and financial relationships such persons may have with the participating entities. An explanation of the requirements of Chapter 176 and complete text of the new law are available at:

http://www.ethics.state.tx.us/whatsnew/conflict_forms.htm

SECTION 5

CONTRACTUAL REQUIREMENTS

5.1 Texas Public Information Act

All information, documentation and other material submitted by Seller under this proposal is subject to public disclosure under the Texas Open Records Act (Texas Government Code, Chapter 552). Seller is hereby notified that Texas A&M and participating entities strictly adheres to this statute and the interpretations thereof rendered by the Courts and Texas Attorney General. Seller shall be deemed to have knowledge of this law and how to protect the legitimate interests of the contractor.

5.2 Electronic State Business Daily Website

It is the responsibility of interested vendors to regularly check the ESBD for any possible addenda to this project. The RFP is inclusive of all addenda issued.

<http://esbd.cpa.state.tx.us/>

5.3 HUB Subcontracting Plan (HSP)

It is the policy of the State of Texas and Texas A&M University (TAMU) to encourage the use of Historically Underutilized Businesses (HUBs) in our prime contracts, subcontractors, and purchasing transactions. The goal of the HUB Program is to promote equal access and equal opportunity in TAMU contracting and purchasing.

Subcontracting opportunities are anticipated for this Invitation for Bid/Request for Proposal and therefore a HUB Subcontracting Plan (HSP) is required. Failure to submit a comprehensive, acceptable HSP will be considered a material failure to comply with the requirements of the Invitation for Bid/Request for Proposal and will result in rejection of the submittal. Prepare the HUB Subcontracting Plan in accordance with the HUB Subcontracting Plan guide document found at <http://purchasing.tamu.edu/ssps/hub/Forms.asp> and submit one copy to the Buyer at the address and by the submittal deadline given in the Invitation for Bid/Request for Proposal. The HUB Subcontracting Plan shall be submitted as a separate document appropriately tabbed for easy reference.

For information regarding the TAMU HUB Program and HUB Subcontracting Plan requirements, please contact Jeff Zimmermann, Director at 979-845-9010 or via email at j-zimmermann@tamu.edu.

5.4 Insurance Requirements

5.4.1 The successful bidder will be required per the indicated requirements (**Attachment A & B**) to provide proof of insurance prior to beginning any work on the campus of Texas A&M University and participating entities. The bidder will be held strictly liable for any damages to Texas A&M University and participating entities property occurring during any installation.

5.4.2 Vendor shall not commence work until all the insurance specified hereunder has been obtained and certificates of such insurance farce have been filed with and accepted by Texas A&M University and participating entities. Insurance coverage shall provide for a thirty day notice of cancellation or material change to the policy coverage and/or limits and the certificate of insurance enforce must include a notice that the policy or policies do contain these provision. Acceptance of insurance certificates by Texas A&M University and participating entities shall not relieve or decrease the liability of the proposer. Unless otherwise specified, the proposer shall provide and maintain, until the work included in this Request for Bid is completed an accepted by Texas A&M University and participating entities.

5.4.3 Certificates of Insurance must be delivered or mailed to Texas A&M University and each participating entity as contracts are executed. Upon execution of each contract, the delivery or mailing address will be provided.

Please Note: The requirements indicated in Attachment B & C are Texas A&M University's and Brazos County's requirements. They are provided as a point of reference. Each entity may have different insurance requirements. The successful vendor will work with each entity to ensure that proper insurance requirements are met, upon execution of each agreement.

5.5 Indemnification

Seller agrees to indemnify and hold the State of Texas, the Board of Regents of Texas A&M University System, Texas A&M, their officers, employees, and agents (the Indemnified Parties) harmless from and indemnify each against any and all liabilities, actions, damages, suits, proceedings, judgments, and costs (excluding attorney's fees) for claims resulting from the acts or omissions of Seller or the acts or omissions of others under Seller's supervision and control.

5.6 Other Benefits

It is understood and agreed that no benefits, payments or considerations received by Seller for the performance of services associated with and pertinent to the resultant agreement shall accrue, directly or indirectly, to any employees, elected or appointed officers or representatives, or any other person identified as agents of, or who are by definition an employee of the State.

5.7 Dispute Resolution

The dispute resolution process provided in Chapter 2260, *Texas Government Code*, and the related rules adopted by the Texas Attorney General pursuant to Chapter 2260, shall be used by Owner and Respondent to attempt to resolve any claim for breach of contract made by Respondent that cannot be resolved in the ordinary course of business. Respondent shall submit written notice of a claim of breach of contract under this Chapter to the Texas A&M Contracts Officer, who shall examine Respondent's claim and any counterclaim and negotiate with Respondent in an effort to resolve the claim.

5.8 Bidding Requirements

Bidders must comply with all rules, regulations and statutes relating to purchasing in the State of Texas in addition to the requirements of this form.

Other preferences as defined in Rule 1 TAC 113.8 (check any that are applicable)

- Products of persons with mental or physical disabilities
- Products made of recycled, remanufactured, or environmentally sensitive materials including recycled steel
- Energy efficient products
- Rubberized asphalt paving material
- Recycled motor oil and lubricants
- Products produced at facilities located on formerly contaminated property
- Products and services from economically depressed or blighted areas

5.9 Written Specifications

Texas A&M University and other participating entities will not be bound by any oral statement or representation contrary to the written specifications of this bid.

5.10 Tie Bids

In case of tie bids, the award will be made in accordance with the legal requirements for each participating entity.

5.11 Supplier Assignments

Supplier hereby assigns to purchaser any and all claims for overcharges associated with this contract which arise under the antitrust laws of the United States 15 U.S.C.A. Section 1, et seq. (1973), and which arise under the antitrust laws of the State of Texas, TEX. Bus. & Comm. Code Ann. Sec. 15.01, et seq. (1967).

5.12 Bidder Affirmation

Signing this bid with a false statement is a material breach of contract and shall void the submitted bid or any resulting contracts, and the bidder shall be removed from all bid lists. By signature hereon affixed, the bidder hereby certifies that:

1. The bidder has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted bid.
2. The bidder is not currently delinquent in the payment of any franchise tax owed the State of Texas.

3. Pursuant to Section 2155.004 Government Code, relating to collection of state and local sales and use taxes, the bidder certifies that the individual or business entity named in this bid is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and/or payment withheld if this certification is inaccurate.

4. Neither the bidder nor the firm, corporation, partnership or institution represented by the bidder, or anyone acting for such firm, corporation or institution has violated the antitrust laws of this State, codified in Section 15.01, et seq., Texas Business and Commerce Code, or the Federal Antitrust Laws, nor communicated directly or indirectly the bid made to any competitor or any other person engaged in such line of business.

5. The bidder has not received compensation for participation in the preparation of the specifications for this RFB.

6. The supplier shall defend, indemnify, and hold harmless the participating entities, the State of Texas, all of its officers, agents and employees from and against all claims, actions, suits, demands, proceedings costs, damages, and liabilities, from any acts or omissions of supplier or any agent, employee, subcontractor, or supplier of supplier in the execution or performance of this purchase order.

7. Bidder agrees that any payments due under this contract will be applied towards any debt, including but not limited to delinquent taxes and child support that is owed to the State of Texas.

8. Bidder certifies that they are in compliance with section 618.003 of the Government Code, relating to contracting with executive head of a State agency. If section 618.003 applies, bidder will complete the following information in order for the bid to be evaluated:

Name of Former Executive: _____

Name of State Agency: _____

Date of Separation from State Agency: _____

Position with Bidder: _____

Date of Employment with Bidder: _____

9. Bidder agrees to comply with Government Code 2155.4441, pertaining to service contract use of products produced in the State of Texas.

10. Contractor understands that acceptance of funds under this contract acts as acceptance of the authority of the State Auditor's Office, or any successor agency, to conduct an audit or investigation in connection with those funds. Contractor further agrees to cooperate fully with the State Auditor's Office or its successor in the conduct of the audit or investigation, including providing all records requested. Contractor will ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through Contractor and the requirement to cooperate is included in any subcontract awards.

5.13 Texas Family Code Section 231.006

Ineligibility to Receive State Grants or Loans, or Receive Bids or Payments on State Contracts.

- (a) A child support obligor who is more than 30 days delinquent in paying child support and a business entity in which the obligor is a sole proprietor, partner, shareholder, or owner with an ownership interest of at least 25 percent is not eligible to:
 - (1) receive payments from state funds under a contract to provide property, materials, or services: or
 - (2) receive a state-funded grant or loan.
- (b) A child support obligor or business entity ineligible to receive payments under Subsection (a) remains ineligible until:
 - (1) all arrearages have been paid; or
 - (2) the obligor is in compliance with a written repayment agreement or court order as to any existing delinquency.
- (c) Pursuant to Section 231.006 (c), Family Code, bid should include name and Social Security number of each person with at least 25% ownership of the business entity submitting the bid. Bidders that have pre-registered this information on the TBPC Centralized Master Bidders List have satisfied this requirement. If not pre-registered, attach name & social security number for each person. Otherwise this information must be provided prior to contract award.
- (d) "Pursuant to Section 231.006, Family Code, re: child support, the bidder certifies that the individual or business entity named in this bid is not ineligible to receive the specified payment and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate."
- (e) If a state agency determines that an individual or business entity holding a state contract is ineligible to receive payment under Section (a) the contract may be terminated.
- (f) If the certificate required under Subsection (d) is shown to be false, the vendor is liable to the state for attorney's fees, the costs necessary to complete the contract, including the cost of advertising and awarding a second contract, and any other damages provided by law or contract.

Added by Acts 1995, 74th Leg., ch. 20, Sec. 1, eff. April 20, 1995. Amended by Acts 1995, 74th Leg., ch. 751, Sec. 82, eff. Sept. 1, 1995.

5.14 Federal Terms and Conditions

THIS DOCUMENT is subject to any constitutional or statutory limitations upon Texas A&M University as an Agency for the State of Texas.

OSHA STATEMENT

Seller represents and warrants that all articles and services covered by this document meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Law (Public Law 91:596) and its regulations in effect or proposed as of the date of this document.

CERTIFICATION OF NONSEGREGATED FACILITIES OF EQUAL EMPLOYMENT OPPORTUNITIES COMPLIANCE

If this transaction exceeds \$10,000 or if the seller anticipates or has a history of exceeding \$10,000.00 in sales to Texas A&M University within any continuous twelve (12) month period, the acceptance of this document will signify their compliance with the provisions of SECTION 202 of EXECUTIVE ORDER No.11246 pertaining to Equal Employment Opportunities effective September 24, 1965 and its amendment EXECUTIVE ORDER No. 11375 effective October 13, 1967 insofar as Section 202 is affected by changing the word "creed" to "religion" and by adding the word "sex". The signing will also serve as written affirmation of the following CERTIFICATION OF NON-SEGREGATED FACILITIES. By the acceptance of this document, the bidder, offer or, applicant or subcontractor certifies that they do not maintain or provide for their employees any segregated facilities at any of their establishments, and that they do not permit their employees to perform their services at any location under their control, where segregated facilities are maintained. They certify further that they will not maintain or provide for their employees any segregated facilities at any of their establishments, and that they will not permit their employees to perform their services at any location under their control where segregated facilities are maintained. The bidder, offer or, applicant or subcontractor agrees that a breach of this certification is a violation of the Equal Opportunity clause in this contract. As used in this certification the term "segregated facilities" means any waiting room, work area, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex, or national origin, be-cause of habit, local custom, or otherwise. They further agree that (except where they have obtained identical certifications from proposed subcontractors for specific time periods) they will obtain identical certifications from proposed subcontractor prior to the award of subcontracts exceeding \$10,000.00 which are not exempt from the pro-visions of the Equal Opportunity clause, that they will retain such certifications in their files and that they will forward the following notice to such proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods). NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR CERTIFICATION OF NONSEGREGATED FACILITIES - A Certification of Non-segregated Facilities must be submitted prior to the award of a subcontract exceeding \$10,000.00 which is not exempt from the provisions of the Equal Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semi-annually, or annually). NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

AFFIRMATIVE ACTION COMPLIANCE

In addition to the above certification, if this transaction exceeds \$50,000 the seller must have included as part of the bid a copy of their written Civil Rights "Affirmative Action Compliance Program". If a bidder is not required to have such a written program, they must have so stated on the bid form indicating the reason it is not required.

Paragraph 60.741.4 of Title 41 of Part 60-741 Affirmative Action Obligations of Contracts and Subcontracts for Handicapped Workers is incorporated by reference for all contracts of \$3,500.00 or greater.

If any additional information is required regarding these requirements, please contact the Texas A&M University Procurement Services Department prior to the shipping date.

EQUAL EMPLOYMENT OPPORTUNITY

All contracts shall contain a provision requiring compliance with E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity" and as supplemented by regulations of 41 CFR part 60, "Office of Federal contract Compliance Programs, Equal Employment Opportunity, Department of Labor".

COPELAND "ANTI-KICKBACK" ACT (18 U.S.C. 874 AND 40 U.S.C. 276C)

All contracts and subgrants in excess of \$2000 for construction or repair awarded by recipient and subrecipients shall include a provision for compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874), as supplemented

by Department of Labor regulations (29 CFR part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in part by loans or grants from the United States). The Act provides that each contractor or subrecipient shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work to give up any part of the compensation to which he is otherwise entitled. The recipient shall report all suspected or reported violations to the Federal awarding agency.

DAVIS-BACON ACT, AS AMENDED (40 U.S.C. 276a TO a-7)

When required by Federal program legislation, all construction contracts awarded by the recipients and subrecipients of more than \$2000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 CFR part 5 “labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction”).

CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. 327-333)

Where applicable, all contracts awarded by recipient in excess of \$2000 for construction contracts and in excess of \$2500 for other contracts that involve the employment of mechanics or laborers shall include a provision for compliance with Sections 102 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), as supplemented by Department of Labor regulations (29 CFR part 5).

RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and recipient in any resulting invention in accordance with 37 CRF part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarded agency.

CLEAN AIR ACT (42 U.S.C. 7401 et seq.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. 1251 et seq.), as amended

Contracts and subgrants of amounts in excess of \$100,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251 et seq.). Violations shall be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA)

BRYD ANTI-LOBBYING AMENDMENT (31 U.S.C. 1352)

Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an offer or employee of any agency, a member of Congress, officer of employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient.

DEBARMENT AND SUSPENSION (E.O.s 12549 and 12689)

No contract shall be made to parties listed on the General Services Administration’s List of Parties Excluded from Federal Procurement or Nonprocurement Programs in accordance with E.O.s 12549 and 12689, “Debarment and Suspension.” This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549. Contractors with awards that exceed the small purchase threshold shall provide the required certification regarding its exclusion status and that of its principal employees.

5.15 Independent Vendor Status

Seller agrees that Seller and Seller’s employees and agents have no employer-employee relationship with Texas A&M. Texas A&M shall not be responsible for the Federal Insurance Contribution Act (FICA) payments, federal or state unemployment taxes, income tax withholding, Workers Compensation Insurance payments, or any other insurance payments, nor will Texas A&M furnish any medical or retirement benefits or any paid vacation or sick leave. Vendor is responsible for conduct of business operation, including employee salaries, travel, etc.

5.16 Substitute W-9

Texas A&M University requires all companies and individuals (not employees or students) to have a Substitute W-9 form on file.

Step 1: You can obtain the Substitute W-9 Form from the FMS website at:

<http://finance.tamu.edu/fmo/ir/forms/substitutew9.pdf>

Step 2: Vendor must fill out the form completely and mail the original to:

Texas A&M University
Financial Management Services
Accounts Payable
6000 TAMU
College Station, TX. 77843-6000

This form is needed for IRS compliance.

5.17 Direct Deposit

All vendors are encouraged to sign up for direct deposit. The direct deposit form is located at:

<http://finance.tamu.edu/fmo/ir/forms/74-176.pdf>

SECTION 6

PRICING

To be accepted, bidders must thoroughly complete all blanks in this section. (Please type or print legibly.) Bidders must ensure that all calculations are correct. Calculation errors or failure to complete all blanks will be cause to reject a bid package. If there are discrepancies in unit price and total, **unit price will prevail.**

Bidders are required to enter the amount in Item B to four (4) decimal places, for “Transport Truck Deliveries” (TTD) and “Less Than Full Transport Truck Deliveries” (LTFTTD) based on the estimated quantities. Bidders must bid on all types of fuel in order to be considered for a contract award.

Bid prices must **not** take into account the State of Texas mandated Petroleum Product Delivery Fee or the State Road Tax. If awarded a contract, the successful vendor will collect these applicable taxes/fees by itemizing each invoice with the exception of the school districts which are exempt from the State Road Tax.

SAMPLE PRICING

**GASOLINE, UNLEADED, 87 OCTANE
TRANSPORT TRUCK DELIVERY (TTD)**

Minimum less than transport load in U.S. Gallons: 7000

(A)		(B)		(C)
OPIS \$/ GALLON As of 5/26/09		PROFIT PER GALLON		TOTAL UNIT PRICE PER GALLON
\$1.8575	+	\$.0135	=	\$1.8710

**ITEM #1 GASOLINE, UNLEADED, 87 OCTANE
TRANSPORT TRUCK DELIVERY (TTD)**

Minimum less than transport load in U.S. Gallons: _____

(A)		(B)		(C)
OPIS \$/ GALLON As of 7/02/14		PROFIT PER GALLON		TOTAL UNIT PRICE PER GALLON
\$2.9077	+	\$ _____	=	\$ _____

ITEM #2 **GASOLINE, UNLEADED, 87 OCTANE**
LESS THAN FULL TRANSPORT TRUCK DELIVERY (LTFTTD)

Minimum less than transport load in U.S. Gallons: _____

(A)		(B)		(C)
OPIS \$/ GALLON As of 7/02/14		PROFIT PER GALLON		TOTAL UNIT PRICE PER GALLON
\$2.9077	+	\$ _____	=	\$ _____

ITEM #3 **#2 DIESEL, LOW SULFUR**
TRANSPORT TRUCK DELIVERY (TTD)

Minimum less than transport load in U.S. Gallons: _____

(A)		(B)		(C)
OPIS \$/ GALLON As of 7/02/14		PROFIT PER GALLON		TOTAL UNIT PRICE PER GALLON
\$2.9816	+	\$ _____	=	\$ _____

ITEM #4 **#2 DIESEL, LOW SULFUR**
LESS THAN FULL TRANSPORT TRUCK DELIVERY (LTFTTD)

Minimum less than transport load in U.S. Gallons: _____

(A)		(B)		(C)
OPIS \$/ GALLON As of 7/02/14		PROFIT PER GALLON		TOTAL UNIT PRICE PER GALLON
\$2.9816	+	\$ _____	=	\$ _____

ITEM #5 **#2 DYED DIESEL, LOW SULFUR**
TRANSPORT TRUCK DELIVERY (TTD)

Minimum less than transport load in U.S. Gallons: _____

(A)		(B)		(C)
OPIS \$/ GALLON As of 7/02/14		PROFIT PER GALLON		TOTAL UNIT PRICE PER GALLON
\$2.9857	+	\$ _____	=	\$ _____

**ITEM #6 #2 DYED DIESEL, LOW SULFUR
LESS THAN FULL TRANSPORT TRUCK DELIVERY (LTFTTD)**

Minimum less than transport load in U.S. Gallons: _____

(A)		(B)		(C)
OPIS \$/ GALLON As of 7/02/14		PROFIT PER GALLON		TOTAL UNIT PRICE PER GALLON
\$2.9857	+	\$ _____	=	\$ _____

**ITEM #7 BIO-DIESEL
LESS THAN TRANSPORT TRUCK DELIVERY (LTTTD)**

Minimum less than transport load in U.S. Gallons: _____

(A)		(B)		(C)
OPIS \$/ GALLON As of 7/02/14		PROFIT PER GALLON		TOTAL UNIT PRICE PER GALLON
\$2.9795	+	\$ _____	=	\$ _____

METHOD OF PAYMENT:

1) **PAYMENT TERMS:** Net 30 (Vendor paid within 30 days of invoice or receipt of goods accepted in good order.)

2) **PROMPT PAYMENT DISCOUNT:** _____% within 10 days (e. g. 1%, 2%, 5%)

AND/OR (check one)

3) **ELECTRONIC FUNDS TRANSFER DISCOUNT** _____ Yes _____ No

If "yes" discount offered: _____% (e.g. 1%, 2%, 5%)

Please Note: Bids offering discounts for prompt payment if invoice is paid within ten (10) days and or discounts for Electronic Fund Transfers are encouraged.

SECTION 7

AWARD CRITERIA

7.1 Award

The Texas A&M University and participating entities would prefer to award the contract to one bidder on an “All or None” basis. However, to ensure the participating entities can purchase and maintain an adequate supply of fuel for its fleet, the right is reserved to award the contract by one of the following methods:

“All or None”, meaning the entire contract be awarded to one bidder submitting the best value overall bid.

Or “Line Item”, meaning to award the contract to the best value per line item.

Regardless of the method used to award the bid, the combined freight and profit charge listed on the bid sheet in Item B, shall remain constant for the duration of the contract period except for decreases, which will be allowed at any time.

The bid award will be based on, but not limited to, the following “Best Value” Criteria:

- The purchase price, including payment discount terms;
- The reputation of the bidder and of the bidder’s goods or services;
- The quality of bidder’s goods or service;
- The extent to which the goods or services meet Texas A&M University’s and other participating entities needs;
- The bidder’s past relationship with Texas A&M and other participating entities;
- The total long-term cost to Texas A&M and other participating entities to acquire the bidder’s goods or services;
- Any relevant criteria specifically listed in this request for bid;
- Proximity of bidder as it relates to the ability to perform the contract;
- Required delivery after order placement;
- References;
- Any/all other factors deemed relevant in the evaluation of the bids to determine the “Best Value” for the ordering entities.

Attachment A – Texas A&M University’s Insurance Requirements

TEXAS A&M UNIVERSITY INSURANCE REQUIREMENTS

<u>TYPE OF COVERAGE</u>	<u>LIMITS OF LIABILITY</u>
1. <u>Employer’s Liability:</u>	
Bodily Injury by Accident	\$500,000 each accident
Bodily Injury by Disease	\$500,000 each employee
Bodily Injury by Disease	\$500,000 Policy Limit
2. <u>Comprehensive General:</u>	\$1,000,000 aggregate
Liability	\$1,000,000 products/completed operations
Combined Bodily	\$1,000,000 personal & advertising liability
Injury & Property Damage	\$1,000,000 each occurrence
	\$50,000 fire damage
	\$5,000 medical expense
3. Comprehensive Automobile Liability	\$1,000,000 combined single limit
4. Owner’s Protective Liability Insurance Policy:	
The Contractor shall obtain at its expense an Owner’s Protective Liability Insurance Policy naming the State of Texas and its employees as named insured, the A/E, when applicable, and the Texas A&M University System Board of Regents for and on behalf of Texas A&M University System and Texas A&M, named as additional insured, with the following limits:	
a. Bodily Injury	\$1,000,000 each occurrence
	\$1,000,000 aggregate
5. Flood insurance when specified.	
6. Umbrella coverage when specified.	
7. Worker’s Compensation	Statutory TWCC, Rule 110.110

(A) Definitions:

Certificate of coverage ("certificate") -- A copy of a certificate of insurance, a certificate of authority to self-insure issued by the Commission, or a coverage agreement (TWCC-81, TWCC-82, TWCC-83 TWCC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project, for the duration of the project.

Duration of the project -- includes the time from the beginning of the work on the project until the contractor's/person's work on the project has been completed and accepted by the governmental entity.

Persons providing services on the project ("subcontractor" in Section 406.096)--includes all persons or entities performing all or part of the services the contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the contractor and regardless of whether that person has employees. This includes, without limitation, independent contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services on the project. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Services" does not include activities unrelated to the project such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.

- (B) The contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Texas Labor Code, Title 5, for all employees of the contractor providing services on the project, for the duration of the project.
- (C) The contractor must provide a certificate of coverage to the governmental entity prior to being awarded the contract.
- (D) If the coverage period shown on the contractor's current certificate of coverage ends during the duration of the project, the contractor must, prior to the end of the coverage period, file a new certificate of coverage with the governmental entity showing that coverage has been extended.
- (E) The contractor shall obtain from each person providing services on a project, and provide to the governmental entity:
- (1) A certificate of coverage, prior to the person beginning work on the project, so the governmental entity will have on file certificates of coverage showing coverage for all persons providing services on the project; and
 - (2) No later than seven days after receipt by the contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project.
- (F) The contractor shall retain all required certificates of coverage for the duration of the project and for one year thereafter.
- (G) The contractor shall notify the governmental entity in writing by certified mail or personal delivery, within 10 days after the Contractor knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project.
- (H) The contractor shall post on each project site a notice, in the text, form and manner prescribed by the Texas Workers' Compensation Commission, informing all persons providing services on the project that they are required to be covered, and stating how a person may verify coverage and report lack of coverage.
- (I) The contractor shall contractually require each person with whom it contracts to provide services on a project, to:
- (1) Provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Texas Labor Code, Title 5, for all of its employees providing services on the project, for the duration of the project;
 - (2) Provide to the contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;
 - (3) Provide the contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
 - (4) Obtain from each other person with whom it contracts, and provide to the contractor:
 - (a) A certificate of coverage, prior to the other person beginning work on the project; and
 - (b) A new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
 - (5) Retain all required certificates of coverage on file for the duration of the project and for one year thereafter;
 - (6) Notify the governmental entity in writing by certified mail or personal delivery, within 10 days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and
 - (7) Contractually require each person with whom it contracts, to perform as required by Paragraphs (1)-(7), with the certificates of coverage to be provided to the person for whom they are providing services.
- (J) By signing this contract or providing or causing to be provided a certificate of coverage, the contractor is representing to the governmental entity that all employees of the contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the Commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.

- (K) The contractor's failure to comply with any of these provisions is a breach of contract by the contractor which entitles the governmental entity to declare the contract void if the contractor does not remedy the breach within ten days after receipt of notice of breach from the governmental entity.

Attachment B – Brazos County’s Insurance Requirements**POLICY REQUIREMENTS FOR
CERTIFICATE OF INSURANCE****CONTRACTOR,S INSURANCE**

The Vendor, before starting work for Brazos County, must furnish the County a Certificate of Insurance or other acceptable evidence from a reputable insurance company or companies with an A.M. Best Rating of AA@ (such companies to be acceptable to the County) licensed to write insurance in the state of Texas, showing that the Contract is covered by the insurance as follows:

- (1) Statutory Workers Compensation Insurance with Employers Liability Insurance in the amount of \$1,000,000. In the event any work is sublet, the Contractor shall require the subcontractor similarly to provide the same coverage and shall himself acquire evidence of such coverage on behalf of the subcontractor. (TLC Sec. 401.011)
- (2) Commercial General Liability Insurance with a \$ 1,000,000 Combined Single Limit. The policy shall be on the Comprehensive General Liability 1986/90 occurrence form, and shall include coverage for acts of independent contractors, and **shall name Brazos County as an additional insured. Waiver of subrogation is required. No claims made policies are acceptable** without prior approval by the Commissioners Court/Risk Management.
- (3) Automobile Public Liability Insurance with a \$1,000,000 Combined Single Limit, in all self-propelled vehicles used in connection with the contract, whether owned, non-owned or hired. . **Waiver of subrogation is required**

The Certificate of Insurance furnished to the County shall contain a provision that coverage under such policies shall not be canceled or materially changed until at least 30 days prior written notice has been given to Brazos County

The County reserves the right to require additional lines of insurance on a case-by-case basis, depending upon the subject matter of the contract and the attendant risks involved in the completion of the contractual work.

INDEMNIFICATION

The Contractor shall defend, indemnify and save harmless the County and all its officers, agents, and employees from all suits, actions, or claims of any character, name and description including attorney’s fees expenses brought for or on account of any injuries or damages received or sustained by any person or persons or property, by or from the said Contractor or his employees or by or in consequence of any negligence in safeguarding the work, or through the use of unacceptable materials in construction of the work, or by or on account of any act of omission, the Worker Compensation Law or any other law, ordinance, order or decree, and so much of the money due the said Contractor under and by virtue of his contract as shall be considered necessary by the County may be retained for the use of the County, or in case no money is due, his sureties shall be held until suit or suits, action or actions, claim or claims for injury or damages as aforesaid shall have been settled and satisfactory evidence to that effect furnished the County. Contractor shall defend, indemnify and save harmless the County, its officers, agents and employees in accordance with this indemnification clause regardless of whether the injury or damage is caused in part by the County, its officers, agents or employees.

Attachment C – Certification and Authorization

Certification and Authorization:
RFB Main #09-0026 Annual Fuel Contract

The undersigned certifies that he has fully read and understands this "Request for Bid" and has full knowledge of the scope, quantity and quality of the services to be provided and intends to adhere to the provisions described herein. The undersigned also affirms that they are duly authorized to submit this bid, that this bid had not been prepared in collusion with any other Vendor, and that the contents of this bid have not been communicated to any other Vendor prior to the official opening of this bid. Additionally, the undersigned affirms that the firm is willing to sign and execute contracts with each participating entity. By signing this bid, bidder certifies that if a Texas address is shown as the address of the bidder, bidder qualifies as a Texas Resident Bidder as defined in Rule 1 TAC 111.2.

Signed by: _____ Title: _____
Failure to sign will disqualify bid.

Typed Name: _____ Company Name: _____

Phone Number: _____ Fax Number: _____

Email: _____

() Historically Underutilized Business certified by TPASS – Please specify ()BLK ()HSP ()W/O ()A/P () AI

Administrative Office:

Address: _____
PO Box or Street City State Zip

Operations:

Address: _____
PO Box or Street City State Zip

Remittance:

Address: _____
PO Box or Street City State Zip

Federal Tax ID Number: _____

Date: _____

Attachment D – Felony Conviction Notification

Felony Conviction Notice

Statutory citation covering notification of criminal history of vendor is found in the Texas Education Code §44.034. Felony Conviction Notification

Texas Education Code §44.034, Notification of Criminal History, Subsection (a), states “ a person or business entity that enters into a contract with a school district must give advance notice to the district if the person or an owner or operator of the business entity has been convicted of a felony. The notice must include a general description of the conduct resulting in the conviction of a felony.” Subsection (b) states “ a school district may terminate a contract with a person or business entity failed to give notice as required by subsection (a) or misrepresented the conduct resulting in the conviction. The school district must compensate the person or business entity for services performed before the termination of the contract.”

This Notice is NOT required of a Publicly-Held Corporation.

I, the undersigned agent for the firm named below, certify that the information concerning notification of felony convictions has been reviewed by me and the following information furnished is true to the best of my knowledge.

Vendor’s Name: _____

Authorized Company Official’s Name (printed) _____

A. My firm is a publicly held corporation; therefore, this reporting requirement is not applicable.

Signature of Company Official

B. My firm is not owned nor operated by anyone who has been convicted of a felony:

Signature of Company Official

C. My firm is owned or operated by the following individual(s) who has/have been convicted of a felony:

Name of Felon (s): _____

Details of Conviction(s): _____

Signature of Company Official

Attachment E – Sample of OPIS Pad 3 Net Report for Hearn, Texas as of 7/2/2014

HEARNE, TX

2014-07-02 10:00:17 EDT

OPIS CONTRACT BENCHMARK FILE

OPIS NET CBOB ETHANOL(10%) PRICES

7.8 RVP

	Terms	Unl	Move	Mid	Move	Pre	Move	Date	Time
Placid	u Net	288.00	- 3.00	305.40	- 3.00	331.40	- 3.00	06/30	18:00
Global	u 1-10	289.26	- .31	299.18	+15.08	312.11	- .30	07/02	00:01
Shell	u N-10	289.73	- 4.20	301.73	- 4.20	-- --	-- --	06/30	18:00
Valero	u N-10	290.65	- 1.20	302.65	- 1.20	326.65	- 1.20	07/01	18:00
FlntHlsRs	u N-10	290.75	- 4.00	301.63	- 4.00	322.75	- 4.00	06/30	18:00
Cenex	b 1-10	292.79	+ 1.00	302.20	+ 1.00	325.46	+ 1.00	07/01	18:00
Valero	b 1-10	293.44	- 1.35	302.35	- 1.35	318.19	- 1.35	07/01	18:00
Valero DS	b 1-10	293.44	- 1.35	302.35	- 1.35	318.19	- 1.35	07/01	18:00
Citgo	b 1-10	293.55	+ .20	302.78	+ .20	323.62	+ .20	07/01	18:00
Shell	b 1-10	293.87	- 3.53	303.37	- 3.54	-- --	-- --	06/30	18:00
Chevron	b 1t45c	293.93	- 4.00	302.54	- 4.00	326.80	- 4.00	06/30	18:00
Texaco	b 1t45c	293.93	- 4.00	302.54	- 4.00	326.80	- 4.00	06/30	18:00
PSX	b 1-10	294.13	+ .55	303.63	+ .55	325.13	+ .55	07/01	18:00
XOM	b 1-10	294.33	+ 1.00	302.49	+ 1.00	327.00	+ 1.00	07/01	19:00
Murphy	u N-12	296.20	- .50	316.20	- .50	338.20	- .50	07/01	18:00
LOW RACK		288.00		299.18		312.11			
HIGH RACK		296.20		316.20		338.20			
RACK AVG		292.53		303.40		324.79			
OPIS GULF COAST DELIVERED SPOT (SRI)									
FOB HEARNE		276.26		-- --		-- --			
BRD LOW RACK		292.79		302.20		318.19			
BRD HIGH RACK		294.33		303.63		327.00			
BRD RACK AVG		293.71		302.69		323.90			
UBD LOW RACK		288.00		299.18		312.11			
UBD HIGH RACK		296.20		316.20		338.20			
UBD RACK AVG		290.77		304.47		326.22			
CONT AVG-07/02		294.51		305.44		327.05			
CONT NET AVG-07/02		292.53		303.40		324.79			
CONT NET LOW-07/02		288.00		299.18		312.11			
CONT NET HI-07/02		296.20		316.20		338.20			

HEARNE, TX

2014-07-02 10:00:17 EDT

OPIS CONTRACT BENCHMARK FILE

OPIS NET CBOB ETHANOL(10%) PRICES

9.0 RVP

	Terms	Unl	Move	Mid	Move	Pre	Move	Date	Time
Cenex	b 1-10	292.79	+ 1.00	302.20	+ 1.00	325.46	+ 1.00	07/01	18:00
Shell	b 1-10	293.87	- 3.53	303.37	- 3.54	-- --	-- --	06/30	18:00
Chevron	b 1t45c	293.93	- 6.10	302.54	- 6.10	326.80	- 6.10	06/30	18:00
XOM	b 1-10	294.33	+ 1.00	302.49	+ 1.00	327.00	+ 1.00	07/01	19:00
LOW RACK		292.79		302.20		325.46			
HIGH RACK		294.33		303.37		327.00			
RACK AVG		293.73		302.65		326.42			
OPIS GULF COAST DELIVERED SPOT (SRI)									
FOB HEARNE		276.26		-- --		-- --			
BRD LOW RACK		292.79		302.20		325.46			
BRD HIGH RACK		294.33		303.37		327.00			
BRD RACK AVG		293.73		302.65		326.42			
CONT AVG-07/02		296.70		305.71		329.72			
CONT NET AVG-07/02		293.73		302.65		326.42			
CONT NET LOW-07/02		292.79		302.20		325.46			
CONT NET HI-07/02		294.33		303.37		327.00			

HEARNE, TX

2014-07-02 10:00:17 EDT

OPIS CONTRACT BENCHMARK FILE

OPIS NET RFG ETHANOL(10%) PRICES

	Terms	Unl	Move	Mid	Move	Pre	Move	Date	Time
PSX	b 1-10	-- --	-- --	-- --	-- --	327.49	+ .45	07/01	18:00
Shell	b 1-10	-- --	-- --	-- --	-- --	327.37	- 3.53	06/30	18:00

Shell	u	N-10	-- --	-- --	-- --	-- --	324.73	- 4.20	06/30	18:00
Valero DS	b	1-10	-- --	-- --	-- --	-- --	326.55	- 1.75	06/30	18:00
Valero	u	N-10	-- --	-- --	-- --	-- --	319.30	- .65	07/01	18:00
LOW RACK			-- --	-- --	-- --	-- --	319.30			
HIGH RACK			-- --	-- --	-- --	-- --	327.49			
RACK AVG			-- --	-- --	-- --	-- --	325.09			
OPIS GULF COAST SPOT MEAN		- 07/01								
FOB COLONIAL		283.285	-- --	-- --	-- --	-- --				
OPIS GULF COAST DELIVERED SPOT (SRI)										
FOB HEARNE			-- --	-- --	-- --	-- --	310.46			
BRD LOW RACK			-- --	-- --	-- --	-- --	326.55			
BRD HIGH RACK			-- --	-- --	-- --	-- --	327.49			
BRD RACK AVG			-- --	-- --	-- --	-- --	327.14			
UBD LOW RACK			-- --	-- --	-- --	-- --	319.30			
UBD HIGH RACK			-- --	-- --	-- --	-- --	324.73			
UBD RACK AVG			-- --	-- --	-- --	-- --	322.02			
CONT AVG-07/02			-- --	-- --	-- --	-- --	327.07			
CONT NET AVG-07/02			-- --	-- --	-- --	-- --	325.09			
CONT NET LOW-07/02			-- --	-- --	-- --	-- --	319.30			
CONT NET HI-07/02			-- --	-- --	-- --	-- --	327.49			

HEARNE, TX

2014-07-02 10:00:17 EDT

OPIS CONTRACT BENCHMARK FILE

OPIS NET ULTRA LOW SULFUR LED DISTILLATE PRICES

		Terms	No.2	Move	No.1	Move	Pre	Move	Move	Date	Time
Valero	u	N-10	297.65	+ .25	-- --	-- --	-- --	-- --	-- --	07/01	18:00
Shell	b	1-10	297.80	- .61	-- --	-- --	-- --	-- --	-- --	07/01	18:00
Shell	u	N-10	297.80	- .60	-- --	-- --	-- --	-- --	-- --	07/01	18:00
FlntHlsRs	u	N-10	297.85	- 2.75	-- --	-- --	-- --	-- --	-- --	06/30	18:00
Placid	u	Net	297.95	- 2.90	-- --	-- --	-- --	-- --	-- --	06/30	18:00
Valero	b	1-10	298.24	- .20	-- --	-- --	-- --	-- --	-- --	07/01	18:00
Valero DS	b	1-10	298.24	- .20	-- --	-- --	-- --	-- --	-- --	07/01	18:00
PSX	b	1-10	298.39	- .10	-- --	-- --	-- --	-- --	-- --	07/01	18:00
XOM	b	1-10	298.40	- .18	-- --	-- --	-- --	-- --	-- --	07/01	19:00
Chevron	b	1t45c	298.49	+ .20	-- --	-- --	-- --	-- --	-- --	07/01	18:00
Texaco	b	1t45c	298.49	+ .20	-- --	-- --	-- --	-- --	-- --	07/01	18:00
Citgo	b	1-10	298.63	- .10	-- --	-- --	-- --	-- --	-- --	07/01	18:00
Global	u	1-10	298.79	- .11	-- --	-- --	-- --	-- --	-- --	07/02	00:01
Murphy	u	N-12	298.90	+ .30	-- --	-- --	-- --	-- --	-- --	07/01	18:00
Cenex	b	1-10	299.72	+ .25	-- --	-- --	-- --	-- --	-- --	07/01	18:00
LOW RACK			297.65		-- --	-- --	-- --	-- --	-- --		
HIGH RACK			299.72		-- --	-- --	-- --	-- --	-- --		
RACK AVG			298.36		-- --	-- --	-- --	-- --	-- --		
BRD LOW RACK			297.80		-- --	-- --	-- --	-- --	-- --		
BRD HIGH RACK			299.72		-- --	-- --	-- --	-- --	-- --		
BRD RACK AVG			298.49		-- --	-- --	-- --	-- --	-- --		
UBD LOW RACK			297.65		-- --	-- --	-- --	-- --	-- --		
UBD HIGH RACK			298.90		-- --	-- --	-- --	-- --	-- --		
UBD RACK AVG			298.16		-- --	-- --	-- --	-- --	-- --		
CONT AVG-07/02			300.37		-- --	-- --	-- --	-- --	-- --		
CONT NET AVG-07/02			298.36		-- --	-- --	-- --	-- --	-- --		
CONT NET LOW-07/02			297.65		-- --	-- --	-- --	-- --	-- --		
CONT NET HI-07/02			299.72		-- --	-- --	-- --	-- --	-- --		

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OPIS CONTRACT BENCHMARK FILE

OPIS NET ULTRA LOW SULFUR RED DYE LED DISTILLATE PRICES

		Terms	No.2	Move	No.1	Move	Pre	Move	Move	Date	Time
Valero	u	N-10	298.00	+ .25	-- --	-- --	-- --	-- --	-- --	07/01	18:00
FlntHlsRs	u	N-10	298.20	- 2.75	-- --	-- --	-- --	-- --	-- --	06/30	18:00
Shell	u	N-10	298.30	- .60	-- --	-- --	-- --	-- --	-- --	07/01	18:00
Placid	u	Net	298.45	- 2.90	-- --	-- --	-- --	-- --	-- --	06/30	18:00
XOM	b	1-10	298.89	- .18	-- --	-- --	-- --	-- --	-- --	07/01	19:00
Citgo	b	1-10	298.93	- .10	-- --	-- --	-- --	-- --	-- --	07/01	18:00
Global	u	1-10	299.14	- .11	-- --	-- --	-- --	-- --	-- --	07/02	00:01
Murphy	u	N-12	299.35	+ .30	-- --	-- --	-- --	-- --	-- --	07/01	18:00
Cenex	b	1-10	300.22	+ .25	-- --	-- --	-- --	-- --	-- --	07/01	18:00
LOW RACK			298.00		-- --	-- --	-- --	-- --	-- --		

HIGH RACK	300.22	-- --	-- --
RACK AVG	298.83	-- --	-- --
OPIS GULF COAST DELIVERED SPOT (SRI)			
FOB HEARNE	295.62	-- --	-- --
BRD LOW RACK	298.89	-- --	-- --
BRD HIGH RACK	300.22	-- --	-- --
BRD RACK AVG	299.35	-- --	-- --
UBD LOW RACK	298.00	-- --	-- --
UBD HIGH RACK	299.35	-- --	-- --
UBD RACK AVG	298.57	-- --	-- --
CONT AVG-07/02	300.17	-- --	-- --
CONT NET AVG-07/02	298.83	-- --	-- --
CONT NET LOW-07/02	298.00	-- --	-- --
CONT NET HI-07/02	300.22	-- --	-- --

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OPIS CONTRACT BENCHMARK FILE
 OPIS NET RFG ETHANOL(10%) PRICES

	Terms	Unl	Move	Mid	Move	Pre	Move	Date	Time
Petrocom	u Net	289.15	- .25	298.00	- 2.10	312.00	- 4.00	07/02	00:01
Shell	u N-10	289.23	- .50	303.23	- .50	327.23	- .50	07/01	18:00
PSX	u N-10	289.45	- .60	299.45	- .60	327.45	- .60	07/01	18:00
Global	u 1-10	289.47	- .53	298.64	- .52	313.72	- .52	07/02	00:01
FlntHlsRs	u N-10	289.50	- 3.00	300.38	- 3.00	321.50	- 3.00	06/30	18:00
Valero	u N-10	290.50	- 1.70	304.50	- 1.70	330.50	- 1.70	07/01	18:00
Shell	b 1-10	292.49	- .63	302.99	- .63	320.49	- .62	07/01	18:00
Chevron	b 1t45c	292.64	- 1.40	303.04	- 1.40	325.71	- 1.40	07/01	18:00
Texaco	b 1t45c	292.64	- 1.40	303.04	- 1.40	325.71	- 1.40	07/01	18:00
Musket	u N-10	292.75	- 1.25	-- --	-- --	-- --	-- --	07/01	18:00
XOM	b 1-10	292.99	- .60	303.88	- .60	327.64	- .60	07/01	19:00
PSX	b 1-10	293.04	- .60	304.04	- .60	326.79	- .60	07/01	18:00
Murphy	u N-12	293.10	- .60	309.10	- .60	337.10	- .60	07/01	18:00
Citgo	b 1-10	293.25	- 1.10	303.85	- 1.10	327.05	- 1.10	07/01	18:00
Valero	b 1-10	293.34	- .75	304.23	- .75	328.98	- .75	07/01	18:00
Valero DS	b 1-10	293.34	- .75	304.23	- .75	328.98	- .75	07/01	18:00
PWI-Gulf	b N-10	295.35	- 1.40	305.85	- 1.40	328.75	- 1.40	07/02	00:01
WestrnPet	u N-10	307.45	- 3.65	317.45	- 3.65	332.45	- 3.65	07/01	18:00
Noble	u N-10	310.60o	- 6.53	-- --	-- --	-- --	-- --	07/01	18:00
LOW RACK		289.15		298.00		312.00			
HIGH RACK		307.45		317.45		337.10			
RACK AVG		292.76		303.88		326.00			
OPIS GULF COAST SPOT MEAN - 07/01									
FOB COLONIAL		283.285		-- --		-- --			
OPIS GULF COAST DELIVERED SPOT (SRI)									
FOB HOUSTON		291.86		298.88		309.41			
BRD LOW RACK		292.49		302.99		320.49			
BRD HIGH RACK		295.35		305.85		328.98			
BRD RACK AVG		293.23		303.91		326.68			
UBD LOW RACK		289.15		298.00		312.00			
UBD HIGH RACK		307.45		317.45		337.10			
UBD RACK AVG		292.29		303.84		325.24			
CONT AVG-07/02		294.24		305.50		327.74			
CONT NET AVG-07/02		292.76		303.88		326.00			
CONT NET LOW-07/02		289.15		298.00		312.00			
CONT NET HI-07/02		307.45		317.45		337.10			

o=out of product

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LOW RETAIL	323.37
AVG RETAIL	349.27
LOW RETAIL EX-TAX	284.61
AVG RETAIL EX-TAX	310.51

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OPIS CONTRACT BENCHMARK FILE
 OPIS NET E-70 PRICES

Terms	Move	Date	Time
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Valero	u N-10	226.35	- 3.40	07/01	18:00
Valero	b 1-10	228.44	- 3.40	07/01	18:00
Valero DS	b 1-10	228.44	- 3.40	07/01	18:00
LOW RACK		226.35			
HIGH RACK		228.44			
RACK AVG		227.74			
BRD LOW RACK		228.44			
BRD HIGH RACK		228.44			
BRD RACK AVG		228.44			
UBD LOW RACK		226.35			
UBD HIGH RACK		226.35			
UBD RACK AVG		226.35			
CONT AVG-07/02		229.28			
CONT NET AVG-07/02		227.74			
CONT NET LOW-07/02		226.35			
CONT NET HI-07/02		228.44			

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OPIS CONTRACT BENCHMARK FILE

OPIS NET ULTRA LOW SULFUR DISTILLATE PRICES

	Terms	No.2	Move	No.1	Move	Pre	Move	Date	Time
XOM	b 1-10	297.22	+ .24	-- --	-- --	-- --	-- --	07/01	19:00
LOW RACK		297.22		-- --		-- --			
HIGH RACK		297.22		-- --		-- --			
RACK AVG		297.22		-- --		-- --			
OPIS GULF COAST SPOT MEAN		- 07/01							
FOB COLONIAL		291.645		-- --		-- --			
OPIS GULF COAST DELIVERED SPOT (SRI)									
FOB HOUSTON		293.82		-- --		-- --			
BRD LOW RACK		297.22		-- --		-- --			
BRD HIGH RACK		297.22		-- --		-- --			
BRD RACK AVG		297.22		-- --		-- --			
CONT AVG-07/02		300.22		-- --		-- --			
CONT NET AVG-07/02		297.22		-- --		-- --			
CONT NET LOW-07/02		297.22		-- --		-- --			
CONT NET HI-07/02		297.22		-- --		-- --			

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OPIS CONTRACT BENCHMARK FILE

OPIS NET ULTRA LOW SULFUR LED DISTILLATE PRICES

	Terms	No.2	Move	No.1	Move	Pre	Move	Date	Time
Petrocom	u Net	295.29	+ .09	-- --	-- --	-- --	-- --	07/02	00:01
Valero	u N-10	295.75	+ .05	-- --	-- --	-- --	-- --	07/01	18:00
Global	u 1-10	295.84	- .11	-- --	-- --	-- --	-- --	07/02	00:01
Shell	u N-10	296.02	- .25	-- --	-- --	-- --	-- --	07/01	18:00
CHS UFM	u 1-10	296.10	- 1.00	-- --	-- --	-- --	-- --	07/02	08:20
Shell	b 1-10	296.27	- .26	-- --	-- --	-- --	-- --	07/01	18:00
Chevron	b 1t45c	296.80	- 3.00	-- --	-- --	-- --	-- --	06/30	18:00
Texaco	b 1t45c	296.80	- 3.00	-- --	-- --	-- --	-- --	06/30	18:00
Valero	b 1-10	297.15	- .60	-- --	-- --	-- --	-- --	07/01	18:00
Valero DS	b 1-10	297.15	- .60	-- --	-- --	-- --	-- --	07/01	18:00
XOM	b 1-10	297.22	+ .24	-- --	-- --	-- --	-- --	07/01	19:00
Murphy	u N-12	297.52	- .10	-- --	-- --	-- --	-- --	07/01	18:00
Musket	u N-10	297.60	- .30	-- --	-- --	-- --	-- --	07/01	18:00
NGLCrLog	u N-10	297.88	+ 1.79	-- --	-- --	-- --	-- --	07/02	00:01
Noble	u N-10	299.50	- .25	-- --	-- --	300.23	- .25	07/01	18:00
PWI-Gulf	b N-10	299.55	- 3.00	-- --	-- --	-- --	-- --	07/01	00:01
U.S. Oil	u N-10	300.40	+ .00	-- --	-- --	-- --	-- --	07/01	18:00
Citgo	b 1-10	302.10	- .10	-- --	-- --	-- --	-- --	07/01	18:00
WestrnPet	u N-10	307.40	+ .75	-- --	-- --	-- --	-- --	07/01	18:00
LOW RACK		295.29		-- --		300.23			
HIGH RACK		307.40		-- --		300.23			
RACK AVG		297.89		-- --		300.23			
OPIS GULF COAST DELIVERED SPOT (SRI)									
FOB HOUSTON		-- --		-- --		296.47			
BRD LOW RACK		296.27		-- --		-- --			
BRD HIGH RACK		302.10		-- --		-- --			
BRD RACK AVG		297.88		-- --		-- --			

UBD LOW RACK	295.29	-- --	300.23
UBD HIGH RACK	307.40	-- --	300.23
UBD RACK AVG	297.89	-- --	300.23
CONT AVG-07/02	299.39	-- --	300.23
CONT NET AVG-07/02	297.89	-- --	300.23
CONT NET LOW-07/02	295.29	-- --	300.23
CONT NET HI-07/02	307.40	-- --	300.23

o=out of product

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OPIS CONTRACT BENCHMARK FILE

OPIS NET ULTRA LOW SULFUR RED DYE LED DISTILLATE PRICES

		No.2		No.1		Pre		Move		
	Terms	RD	Move	RD	Move	RD	Move	Date	Time	
Petrocom	u Net	295.64	- .01	-- --	-- --	-- --	-- --	07/02	00:01	
Valero	u N-10	296.05	+ .05	-- --	-- --	-- --	-- --	07/01	18:00	
Global	u 1-10	296.47	- .11	-- --	-- --	-- --	-- --	07/02	00:01	
CHS UFM	u 1-10	296.50	- 1.00	-- --	-- --	-- --	-- --	07/02	08:20	
Shell	u N-10	296.52	- .25	-- --	-- --	-- --	-- --	07/01	18:00	
Shell	b 1-10	296.77	- .25	-- --	-- --	-- --	-- --	07/01	18:00	
Murphy	u N-12	297.97	- .10	-- --	-- --	-- --	-- --	07/01	18:00	
Musket	u N-10	298.10	- .30	-- --	-- --	-- --	-- --	07/01	18:00	
NGLCrLog	u N-10	298.23	+ 1.79	-- --	-- --	-- --	-- --	07/02	00:01	
Noble	u N-10	299.85	- .25	-- --	-- --	300.58	- .25	07/01	18:00	
U.S. Oil	u N-10	300.75	+ .00	-- --	-- --	-- --	-- --	07/01	18:00	
WestrnPet	u N-10	307.75	+ .75	-- --	-- --	-- --	-- --	07/01	18:00	
LOW RACK		295.64		-- --		300.58				
HIGH RACK		307.75		-- --		300.58				
RACK AVG		298.17		-- --		300.58				

OPIS GULF COAST DELIVERED SPOT (SRI)

FOB HOUSTON	294.57	-- --	-- --
BRD LOW RACK	296.77	-- --	-- --
BRD HIGH RACK	296.77	-- --	-- --
BRD RACK AVG	296.77	-- --	-- --
UBD LOW RACK	295.64	-- --	300.58
UBD HIGH RACK	307.75	-- --	300.58
UBD RACK AVG	298.31	-- --	300.58
CONT AVG-07/02	298.98	-- --	300.58
CONT NET AVG-07/02	298.17	-- --	300.58
CONT NET LOW-07/02	295.64	-- --	300.58
CONT NET HI-07/02	307.75	-- --	300.58

o=out of product

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OPIS CONTRACT BENCHMARK FILE

OPIS NET LOW SULFUR KEROSENE PRICES

		KERO		KERO		Move			
	Terms	KERO	Move	RD	Move	NRLM	Move	Date	Time
PSX	u N-10	333.10	- .50	334.10	- .50	-- --	-- --	07/01	18:00
PSX	b 1-10	336.06	- .50	337.05	- .50	-- --	-- --	07/01	18:00
LOW RACK		333.10		334.10		-- --			
HIGH RACK		336.06		337.05		-- --			
RACK AVG		334.58		335.58		-- --			
BRD LOW RACK		336.06		337.05		-- --			
BRD HIGH RACK		336.06		337.05		-- --			
BRD RACK AVG		336.06		337.05		-- --			
UBD LOW RACK		333.10		334.10		-- --			
UBD HIGH RACK		333.10		334.10		-- --			
UBD RACK AVG		333.10		334.10		-- --			
CONT AVG-07/02		336.28		337.28		-- --			
CONT NET AVG-07/02		334.58		335.58		-- --			
CONT NET LOW-07/02		333.10		334.10		-- --			
CONT NET HI-07/02		336.06		337.05		-- --			

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OPIS CONTRACT BENCHMARK FILE

OPIS NET SPECIALTY DISTILLATE PRICES

		JET		MARINE		Move		Date	Time
	Terms	JET	Move	MARINE	Move	Date	Time		
PSX	b 1-10	288.78	- 1.06	-- --	-- --	07/02	00:00		

LOW RACK	288.78	-- --
HIGH RACK	288.78	-- --
RACK AVG	288.78	-- --
BRD LOW RACK	288.78	-- --
BRD HIGH RACK	288.78	-- --
BRD RACK AVG	288.78	-- --
CONT AVG-07/02	291.70	-- --
CONT NET AVG-07/02	288.78	-- --
CONT NET LOW-07/02	288.78	-- --
CONT NET HI-07/02	288.78	-- --

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OPIS CONTRACT BENCHMARK FILE

OPIS NET WHOLESAL B5 SME BIODIESEL PRICES

		ULS2	ULS2D	Move		
	Terms	LED	LED	Date	Time	
Valero	u N-10	294.75	295.15	07/01	18:00	
Petrocom	u Net	294.80	295.25	07/02	00:01	
Global	u 1-10	295.84	296.47	07/02	00:01	
FlntHlsRs	u N-10	295.85	296.20	06/30	18:00	
Murphy	u N-12	296.37	-- --	07/01	18:00	
PSX	u N-10	296.65	297.65	07/01	18:00	
Chevron	b 1t45c	296.80	-- --	06/30	18:00	
Texaco	b 1t45c	296.80	-- --	06/30	18:00	
XOM	b 1-10	297.10	-- --	07/01	19:00	
Valero	b 1-10	297.15	-- --	07/01	18:00	
Valero DS	b 1-10	297.15	-- --	07/01	18:00	
PSX	b 1-10	297.79	298.78	07/01	18:00	
Citgo	b 1-10	299.52	300.02	07/01	18:00	
WestrnPet	u N-10	311.40	311.75	07/01	18:00	
Noble	u N-10	318.00	-- --	07/01	18:00	
LOW RACK		294.75	295.15			
HIGH RACK		311.40	311.75			
RACK AVG		297.71	298.91			
BRD LOW RACK		296.80	298.78			
BRD HIGH RACK		299.52	300.02			
BRD RACK AVG		297.47	299.40			
UBD LOW RACK		294.75	295.15			
UBD HIGH RACK		311.40	311.75			
UBD RACK AVG		297.95	298.75			
CONT NET AVG-07/02		297.71	298.91			
CONT NET LOW-07/02		294.75	295.15			
CONT NET HI-07/02		311.40	311.75			

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Attachment F – HUB Subcontracting Plan



HUB SUBCONTRACTING PLAN (HSP)

In accordance with Texas Gov't Code §2161.252, the contracting agency has determined that subcontracting opportunities are probable under this contract. Therefore, all respondents, including State of Texas certified Historically Underutilized Businesses (HUBs) must complete and submit this State of Texas HUB Subcontracting Plan (HSP) with their response to the bid requisition (solicitation).

NOTE: Responses that do not include a completed HSP shall be rejected pursuant to Texas Gov't Code §2161.252(b).

The HUB Program promotes equal business opportunities for economically disadvantaged persons to contract with the State of Texas in accordance with the goals specified in the 2009 State of Texas Disparity Study. The statewide HUB goals defined in 34 Texas Administrative Code (TAC) §20.13 are:

- 11.2 percent for heavy construction other than building contracts,
- 21.1 percent for all building construction, including general contractors and operative builders contracts,
- 32.7 percent for all special trade construction contracts,
- 23.6 percent for professional services contracts,
- 24.6 percent for all other services contracts, and
- 21 percent for commodities contracts.

- - Agency Special Instructions/Additional Requirements - -

In accordance with 34 TAC §20.14(d)(1)(D)(iii), a respondent (prime contractor) may demonstrate good faith effort to utilize Texas certified HUBs for its subcontracting opportunities if the total value of the respondent's subcontracts with Texas certified HUBs meets or exceeds the statewide HUB goal or the agency specific HUB goal, whichever is higher. When a respondent uses this method to demonstrate good faith effort, the respondent must identify the HUBs with which it will subcontract. If using existing contracts with Texas certified HUBs to satisfy this requirement, only contracts that have been in place for five years or less shall qualify for meeting the HUB goal. This limitation is designed to encourage vendor rotation as recommended by the 2009 Texas Disparity Study.

SECTION 1 RESPONDENT AND REQUISITION INFORMATION

- a. Respondent (Company) Name: _____ State of Texas VID #: _____
 Point of Contact: _____ Phone #: _____
 E-mail Address: _____ Fax #: _____
- b. Is your company a State of Texas certified HUB? - Yes - No
- c. Requisition #: _____ Bid Open Date: _____

(mm/dd/yyyy)

Enter your company's name here: _____

Requisition #: _____

SECTION 2 SUBCONTRACTING INTENTIONS

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, including goods and services, will be subcontracted. Note: In accordance with 34 TAC §20.11., an "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:

- **Yes**, I will be subcontracting portions of the contract. (If **Yes**, complete Item b, of this SECTION and continue to Item c of this SECTION.)
- **No**, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources. (If **No**, continue to SECTION 3 and SECTION 4.)

b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you have a <u>continuous contract*</u> in place for five (5) years or less.	Percentage of the contract expected to be subcontracted to HUBs with which you have a <u>continuous contract*</u> in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to non-HUBs .
1		%	%	%
2		%	%	%
3		%	%	%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		%	%	%

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <http://window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>)

c. Check the appropriate box (Yes or No) that indicates whether you will be using only Texas certified HUBs to perform all of the subcontracting opportunities you listed in SECTION 2, Item b.

- **Yes** (If **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)
- **No** (If **No**, continue to Item d, of this SECTION.)

d. Check the appropriate box (Yes or No) that indicates whether the **aggregate expected percentage** of the contract you will subcontract with Texas certified HUBs with which you have a continuous contract* in place with for five (5) years or less meets or exceeds the HUB goal the contracting agency identified on page 1 in the "Agency Special Instructions/Additional Requirements".

- **Yes** (If **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)
- **No** (If **No**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed.)

**Continuous Contract: Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.*

SECTION 3 SELF PERFORMING JUSTIFICATION (If you responded "No" to SECTION 2, Item a, you must complete this SECTION and continue to SECTION 4.)

Check the appropriate box (Yes or No) that indicates whether your response/proposal contains an explanation demonstrating how your company will fulfill the entire contract with its own resources.

- Yes (If *Yes*, in the space provided below **list the specific page(s)/section(s)** of your proposal which explains how your company will perform the entire contract with its own equipment, supplies, materials and/or employees.)
- No (If *No*, in the space provided below **explain how** your company will perform the entire contract with its own equipment, supplies, materials and/or employees.)

SECTION 4 AFFIRMATION

As evidenced by my signature below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP is true and correct. Respondent understands and agrees that, if awarded any portion of the requisition:

- The respondent will provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor for the awarded contract. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.
- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report – PAR) to the contracting agency, verifying its compliance with the HSP, including the use of and expenditures made to its subcontractors (HUBs and Non-HUBs). (The PAR is available at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/progressassessmentrpt.xls>).
- The respondent must seek approval from the contracting agency prior to making any modifications to its HSP, including the hiring of additional or different subcontractors and the termination of a subcontractor the respondent identified in its HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subject to any and all enforcement remedies available under the contract or otherwise available by law, up to and including debarment from all state contracting.
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are being performed and must provide documentation regarding staffing and other resources.

 Signature Printed Name Title Date
(mm/dd/yyyy)

- REMINDER:**
- If you responded "Yes" to SECTION 2, Items c or d, you must complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.
 - If you responded "No" SECTION 2, Items c and d, you must complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.

HSP Good Faith Effort - Method B (Attachment B)

Enter your company's name here: _____	Requisition #: _____
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IMPORTANT: If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-B.doc>

SECTION B-1 SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing this attachment.

Item #: _____ Description: _____

SECTION B-2 MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, to continue to SECTION B-4.)
- No / Not Applicable (If No or *Not Applicable*, continue to SECTION B-3 and SECTION B-4.)

SECTION B-3 NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you MUST comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and minority or women trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and minority or women trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the minority or women trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.

- a. Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at <http://www.window.state.tx.us/procurement/cmb/cmbhub.html>. HUB Status code "A" signifies that the company is a Texas certified HUB.
- b. List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID) number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	VID #	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No

- c. Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to two (2) or more minority or women trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to minority or women trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>
- d. List two (2) minority or women trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Minority/Women Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
		<input type="checkbox"/> - Yes <input type="checkbox"/> - No
		<input type="checkbox"/> - Yes <input type="checkbox"/> - No

HSP Good Faith Effort - Method B (Attachment B) *Cont.*

Enter your company's name here: _____	Requisition #: _____
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SECTION B-4 SUBCONTRACTOR SELECTION

a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item #: _____ Description: _____

b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in SECTION B-1. Also identify whether they are a Texas certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas certified HUB	VID # <small>(Required if Texas certified HUB)</small>	Approximate Dollar Amount	Expected Percentage of Contract
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in SECTION B-1 is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.



HUB Subcontracting Opportunity Notification Form

In accordance with Texas Gov't Code, Chapter 2161, each state agency that considers entering into a contract with an expected value of \$100,000 or more shall, before the agency solicits bids, proposals, offers, or other applicable expressions of interest, determine whether subcontracting opportunities are probable under the contract. The state agency I have identified below in Section B has determined that subcontracting opportunities are probable under the requisition to which my company will be responding.

34 Texas Administrative Code, §20.14 requires all respondents (prime contractors) bidding on the contract to provide notice of each of their subcontracting opportunities to at least three (3) Texas certified HUBs (who work within the respective industry applicable to the subcontracting opportunity), and allow the HUBs at least seven (7) working days to respond to the notice prior to the respondent submitting its bid response to the contracting agency. In addition, the respondent must provide notice of each of its subcontracting opportunities to two (2) or more minority or women trade organizations or development centers at least seven (7) working days prior to submitting its bid response to the contracting agency.

We respectfully request that vendors interested in bidding on the subcontracting opportunity scope of work identified in Section C, Item 2, reply no later than the date and time identified in Section C, Item 1. Submit your response to the point-of-contact referenced in Section A.

Section A PRIME CONTRACTOR'S INFORMATION

Company Name: _____ State of Texas VID #: _____

Point-of-Contact: _____ Phone #: _____

E-mail Address: _____ Fax #: _____

Section B CONTRACTING STATE AGENCY AND REQUISITION INFORMATION

Agency Name: _____

Point-of-Contact: _____ Phone #: _____

Requisition #: _____ Bid Open Date: _____
(mm/dd/yyyy)

Section C SUBCONTRACTING OPPORTUNITY RESPONSE DUE DATE, DESCRIPTION, REQUIREMENTS AND RELATED INFORMATION

<p>1. Potential Subcontractor's Bid Response Due Date:</p>	<p>If you would like for our company to consider your company's bid for the subcontracting opportunity identified below in Item 2, we must receive your bid response no later than <input type="text" value="Select"/> Central Time on: _____ Date (mm/dd/yyyy)</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p><i>In accordance with 34 TAC §20.14, each notice of subcontracting opportunity shall be provided to at least three (3) Texas certified HUBs, and allow the HUBs at least seven (7) working days to respond to the notice prior to submitting our bid response to the contracting agency. In addition, we must provide the same notice to two (2) or more minority or women trade organizations or development centers at least seven (7) working days prior to submitting our bid response to the contracting agency.</i></p> <p><i>(A working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the minority or women trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.)</i></p> </div>
<p>2. Subcontracting Opportunity Scope of Work:</p>	
<p>3. Required Qualifications:</p> <p><input type="checkbox"/> - Not Applicable</p>	
<p>4. Bonding/Insurance Requirements:</p> <p><input type="checkbox"/> - Not Applicable</p>	
<p>5. Location to review plans/specifications:</p> <p><input type="checkbox"/> - Not Applicable</p>	



HUB SUBCONTRACTING PLAN (HSP) QUICK CHECKLIST

While this HSP Quick Checklist is being provided to merely assist you in readily identifying the sections of the HSP form that you will need to complete, it is very important that you adhere to the instructions in the HSP form and instructions provided by the contracting agency.

- ❖ If you will be awarding all of the subcontracting work you have to offer under the contract to only Texas certified HUB vendors, complete:
 - Section 1 – Respondent and Requisition Information
 - Section 2 a. – Yes, I will be subcontracting portions of the contract
 - Section 2 b. – List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors
 - Section 2 c. – Yes
 - Section 4 – Affirmation
 - GFE Method A (Attachment A) – Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2 b.

- ❖ If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you have a continuous contract* in place for five (5) years or less meets or exceeds the HUB Goal the contracting agency identified in the “Agency Special Instructions/Additional Requirements”, complete:
 - Section 1 – Respondent and Requisition Information
 - Section 2 a. – Yes, I will be subcontracting portions of the contract
 - Section 2 b. – List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors
 - Section 2 c. – No
 - Section 2 d. – Yes
 - Section 4 – Affirmation
 - GFE Method A (Attachment A) – Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2 b.

- ❖ If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors or only to Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you have a continuous contract* in place for five (5) years or less does not meet or exceed the HUB Goal the contracting agency identified in the “Agency Special Instructions/Additional Requirements”, complete:
 - Section 1 – Respondent and Requisition Information
 - Section 2 a. – Yes, I will be subcontracting portions of the contract
 - Section 2 b. – List all the portions of work you will subcontract, and indicated the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors
 - Section 2 c. – No
 - Section 2 d. – No
 - Section 4 – Affirmation
 - GFE Method B (Attachment B) – Complete an Attachment B for each of the subcontracting opportunities you listed in Section 2 b.

- ❖ If you will not be subcontracting any portion of the contract and will be fulfilling the entire contract with your own resources, complete:
 - Section 1 – Respondent and Requisition Information
 - Section 2 a. – No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources
 - Section 3 – Self Performing Justification
 - Section 4 – Affirmation

***Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into “new” contracts.

HSP "GOOD FAITH EFFORT" **METHOD B**
CHECKLIST

- () Enter your company's name and solicitation number at the top of page

- () **Section B-1 – Subcontracting Opportunity**
 - ___ Enter the line item number and description that corresponds in **Section 2, Item b** of the HSP

- () **Section B-2 – Mentor-Protégé Program**
 - ___ Yes, proceed to **Section B-4**
 - ___ No, proceed to **Section B-3**

- () **Section B-3 – Notification of Subcontracting Opportunity**
 - ___ Contacted three (3) certified Texas HUB's for each subcontracting area and documented these efforts in **Section B-3 b.**
 - ___ Provided seven (7) working days for the vendors to respond
 - ___ Contacted two (2) or more minority or women trade organizations or development centers and documented these efforts in **Section B-3 d.**
 - ___ Provided seven (7) working days to the trade organizations or development centers
 - ___ Provided written documentation as proof of notification to the HUB vendors and minority or women trade organizations or development centers

- () **Section B-4 – Subcontractor Selection**
 - ___ In **Section B-4 a** enter the line item number and description that corresponds in **Section B-1**
 - ___ Indicate the vendor and expected percentage or dollar figure of subcontracted area in **Section B-4 b.**
 - ___ and if not a HUB vendor, provide a justification in **Section B-4 c.**

EXHIBIT "B"

INSURANCE REQUIREMENTS

During the term of this Agreement Contractor's insurance policies shall meet the following requirements:

- I. Standard Insurance Policies Required:
 - A. Commercial General Liability
 - B. Business Automobile Liability
 - C. Umbrella / Excess Liability – required for contract amounts exceeding \$1,000,000
 - D. Workers' Compensation
 - E. Builder's Risk – provides coverage for contractor's labor and materials for a project during construction that involves a structure such as a building or garage. builder's risk policy shall be written on "all risks" form.

- II. General Requirements Applicable to All Policies:
 - A. Only Insurance Carriers licensed and admitted to do business in the State of Texas will be accepted.
 - B. Deductibles shall be listed on the Certificate of Insurance and are acceptable only on a per occurrence basis for property damage only.
 - C. "Claims Made" policies are not accepted.
 - D. Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City of College Station.
 - E. Upon request, certified copies of all insurance policies shall be furnished to the City of College Station.
 - F. The City of College Station, its officials, employees and volunteers, are to be named as "Additional Insured" to the Commercial General, Umbrella and Business Automobile Liability policies. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officials, employees or volunteers.

- III. Commercial General Liability
 - A. General Liability insurance shall be written by a carrier with a "A:VIII" or better rating in accordance with the current Best Key Rating Guide.
 - B. Limit of \$1,000,000.00 per occurrence for bodily injury and property damage with an annual aggregate limit of \$2,000,000.00 which limits shall be endorsed to be per Project.
 - C. Coverage shall be at least as broad as ISO form GC 00 01.

- D. No coverage shall be excluded from the standard policy without notification of individual exclusions being attached for review and acceptance.
- E. The coverage shall include but not be limited to the following:
premises/operations with separate aggregate; independent contracts;
products/completed operations; contractual liability (insuring the indemnity provided herein) Host Liquor Liability, Personal & Advertising Liability; and
Explosion, Collapse, and Underground coverage.

IV. Business Automobile Liability

- A. Business Automobile Liability insurance shall be written by a carrier with a “A:VIII” or better rating in accordance with the current Best Key Rating Guide.
- B. Minimum Combined Single Limit of \$1,000,000.00 per occurrence for bodily injury and property damage.
- C. Coverage shall be at least as broad as Insurance Service’s Office Number CA 00 01.
- D. The Business Auto Policy must show Symbol 1 in the Covered Autos Portion of the liability section in Item 2 of the declarations page.
- E. The coverage shall include owned autos, leased or rented autos, non-owned autos, any autos and hired autos.
- F. Pollution Liability coverage shall be provided by endorsement MCS-90, with a limit of \$1,000,000.00.

V. Excess Liability

Umbrella form excess liability coverage following the form of the underlying coverage with a minimum limit of \$5,000,000.00 or the total value of the contract, whichever is greater, per occurrence/aggregate when combined with the lowest primary liability coverage, is required for contracts exceeding \$1,000,000 in total value.

- VI. Those policies set forth in Paragraphs III, IV, and V shall contain an endorsement naming the City as Additional Insured and further providing that the Contractor’s policies are primary to any self-insurance or insurance policies procured by the City. The additional insured endorsement shall be in a form at least as broad as ISO form GC 2026. Waiver of subrogation in a form at least as broad as ISO form 2404 shall be provided in favor of the City on all policies obtained by the Contractor in compliance with the terms of this Agreement. Contractor shall be responsible for all deductibles which may exist on any policies obtained in compliance with the terms of this Agreement. All coverage for subcontractors shall be subject to the requirements stated herein. All Certificates of Insurance and endorsements shall be furnished to the City’s Representative at the time of execution of this Agreement, attached hereto as Exhibit D, and approved by the City before work commences.

VII. Workers Compensation Insurance

- A. Pursuant to the requirements set forth in Title 28, Section 110.110 of the Texas Administrative Code, all employees of the Contractor, all employees of any and all subcontractors, and all other persons providing services on the Project must be covered by a workers compensation insurance policy: either directly through their employer's policy (the Contractor's or subcontractor's policy) or through an executed coverage agreement on an approved Texas Department of Insurance Division of Workers Compensation (DWC) form. Accordingly, if a subcontractor does not have his or her own policy and a coverage agreement is used, contractors and subcontractors must use that portion of the form whereby the hiring contractor agrees to provide coverage to the employees of the subcontractor. The portion of the form that would otherwise allow them not to provide coverage for the employees of an independent contractor may not be used.
- B. Workers compensation insurance shall include the following terms:
1. Employer's Liability minimum limits of \$1,000,000.00 for each accident/each disease/each employee are required.
 2. "Texas Waiver of Our Right to Recover From Others Endorsement, WC 42 03 04" shall be included in this policy.
 3. Texas must appear in Item 3A of the Workers Compensation coverage or Item 3C must contain the following: All States except those listed in Item 3A and the States of NV, ND, OH, WA, WV, and WY.
- C. Pursuant to the explicit terms of Title 28, Section 110.110(c) (7) of the Texas Administrative Code, the bid specifications, this Agreement, and all subcontracts on this Project must include the following terms and conditions in the following language, without any additional words or changes, except those required to accommodate the specific document in which they are contained or to impose stricter standards of documentation:

"A. Definitions:

Certificate of coverage ("certificate") – An original certificate of insurance, a certificate of authority to self-insure issued by the Division of Workers Compensation, or a coverage agreement (DWC-81, DWC-83, or DWC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project, for the duration of the project.

Duration of the project - includes the time from the beginning of the work on the project until the Contractor's/person's work on the project has been completed and accepted by the governmental entity.

Persons providing services on the project ("subcontractors" in § 406.096 [of the Texas Labor Code]) - includes all persons or entities performing all or part of the services the Contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the Contractor and regardless of whether that person has employees. This includes, without limitation, independent Contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which

furnishes persons to provide services on the project. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Services" does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.

- B. The Contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all employees of the Contractor providing services on the project, for the duration of the project.*
- C. The Contractor must provide a certificate of coverage to the governmental entity prior to being awarded the contract.*
- D. If the coverage period shown on the Contractor's current certificate of coverage ends during the duration of the project, the Contractor must, prior to the end of the coverage period, file a new certificate of coverage with the governmental entity showing that coverage has been extended.*
- E. The Contractor shall obtain from each person providing services on a project, and provide to the governmental entity:*
 - (1) a certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file certificates of coverage showing coverage for all persons providing services on the project; and*
 - (2) no later than seven calendar days after receipt by the Contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project.*
- F. The Contractor shall retain all required certificates of coverage for the duration of the project and for one year thereafter.*
- G. The Contractor shall notify the governmental entity in writing by certified mail or personal delivery, within 10 calendar days after the Contractor knew or should have known, or any change that materially affects the provision of coverage of any person providing services on the project.*
- H. The Contractor shall post on each project site a notice, in the text, form and manner prescribed by the Division of Workers Compensation, informing all persons providing services on the project that they are required to be covered, and stating how a person may verify coverage and report lack of coverage.*
- I. The Contractor shall contractually require each person with whom it contracts to provide services on a project, to:*
 - (1) provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, that meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all of its employees providing services on the project, for the duration of the project;*

- (2) *provide to the Contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;*
- (3) *provide the Contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;*
- (4) *obtain from each other person with whom it contracts, and provide to the Contractor:*
 - (a) *A certificate of coverage, prior to the other person beginning work on the project; and*
 - (b) *A new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;*
- (5) *retain all required certificates of coverage on file for the duration of the project and for one year thereafter;*
- (6) *notify the governmental entity in writing by certified mail or personal delivery, within 10 calendar days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and*
- (7) *Contractually require each person with whom it contracts to perform as required by paragraphs (a) - (g), with the certificates of coverage to be provided to the person for whom they are providing services.*

J. By signing this contract, or providing, or causing to be provided a certificate of coverage, the Contractor is representing to the governmental entity that all employees of the Contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project; that the coverage will be based on proper reporting of classification codes and payroll amounts; and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the Commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the Contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.

K. The Contractor's failure to comply with any of these provisions is a breach of contract by the Contractor that entitles the governmental entity to declare the contract void if the Contractor does not remedy the breach within ten calendar days after receipt of notice of breach from the governmental entity."

VIII. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent, and shall contain the following provisions and warranties:

A. The company is licensed and admitted to do business in the State of Texas.

- B. The insurance policies provided by the insurance company are underwritten on forms that have been provided by the Texas State Board of Insurance or ISO.
- C. All endorsements and insurance coverages according to requirements and instructions contained herein.
- D. The form of the notice of cancellation, termination, or change in coverage provisions to the City of College Station.
- E. Original endorsements affecting coverage required by this section shall be furnished with the certificates of insurance.

EXHIBIT "C"
CERTIFICATE(S) OF INSURANCE



CERTIFICATE OF LIABILITY INSURANCE

BRENC-1

OP ID: SH

DATE (MM/DD/YYYY)
09/23/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. 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).

PRODUCER Anco Insurance B/CS P. O. Box 3889 Bryan, TX 77805 Duane Arbuckle	CONTACT NAME: Sandi Hopkins PHONE (A/C, No, Ext): 979-774-6521 E-MAIL ADDRESS: hopkins@anco.com	FAX (A/C, No): 979-774-5685	
	INSURER(S) AFFORDING COVERAGE		NAIC #
INSURED Brenco Marketing Corp. & ZIP N Food Stores Texas, LLC (et.al. per policy list) attn: Don Broach PO Box 3819 Bryan, TX 77805-3815	INSURER A : Nationwide Agribusines Ins Co		28223
	INSURER B : Texas Mutual Ins. Co.		22945
	INSURER C :		
	INSURER D :		
	INSURER E :		
INSURER F :			

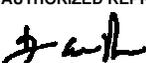
COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT 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. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR			CPP123336A	03/03/2014	03/03/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 0 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
	GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> MCS-90 & <input checked="" type="checkbox"/> CA99480306			CPP123336A	03/03/2014	03/03/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (PER ACCIDENT) \$ \$
	<input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE			CU123336A	03/03/2014	03/03/2015	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ 4,000,000 \$
	<input checked="" type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 0						
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y / N	N / A	TSF0001166409	03/03/2014	03/03/2015	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	PROPERTY POLICY			COP123336A	03/03/2014	03/03/2015	SEE BELOW SEE IF APPLIC BELOW

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

CITYCS6 City of College Station Budget & Management Analyst Attn: Lisa Davis 1101 Texas Avenue College Station, TX 77842	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

SECTION I - COVERAGES**COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY****1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

- (2) The "bodily injury" or "property damage" occurs during the policy period; and

- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
 - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises,

site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be dis-

charged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
 - (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - (b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by

or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "Bodily injury" or "property damage" arising out of:
 - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
 - (b) the operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Distribution Of Material In Violation Of Statutes

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III - Limits Of Insurance.

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and

- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages **A** and **B**.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods - Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or

services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web-sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Distribution Of Material In Violation Of Statutes

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

COVERAGE C MEDICAL PAYMENTS

1. Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
- (2) On ways next to premises you own or rent; or
- (3) Because of your operations;

provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I - Coverage A - Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company),

to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

(a) Owned, occupied or used by,

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

- b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage **C**;
 - b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage **B**.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to Paragraph 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage **A**; and
 - b. Medical expenses under Coverage **C** because of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.

7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

- b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any per-

son or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph c. below.

b. Excess Insurance

(1) This insurance is excess over:

- (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
 - (iii) That is insurance purchased by you to cover your liability as a tenant for "property damage"

to premises rented to you or temporarily occupied by you with permission of the owner; or

- (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section I - Coverage A - Bodily Injury And Property Damage Liability.

- (b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.

- (2) When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

- (3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (b) The total of all deductible and self-insured amounts under all that other insurance.

- (4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio

of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V - DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

- a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. "Auto" means:

- a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
- c. All other parts of the world if the injury or damage arises out of:

(1) Goods or products made or sold by you in the territory described in Paragraph a. above;

(2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or

(3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:
 - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
 - (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
 - (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.
10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
 11. "Loading or unloading" means the handling of property:
 - a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - b. While it is in or on an aircraft, watercraft or "auto"; or
 - c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".
 12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
 - a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

- 13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

- 14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

- 15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

- 16. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and

(2) The providing of or failure to provide warnings or instructions.

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED - REQUIRED BY CONTRACT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SECTION II - WHO IS AN INSURED is amended to include as an additional insured any person(s) or organization(s) with whom you have agreed in a valid written contract or agreement, executed prior to any "occurrence", that such person(s) or organization(s) be added as an additional insured on your policy. Such person(s) or organization(s) is an additional insured only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- A. In the performance of your ongoing operations; or
- B. In connection with your premises owned by or rented to you.

ALL OTHER CONDITIONS AND PROVISIONS OF THE POLICY REMAIN UNCHANGED BY THIS ENDORSEMENT.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**BLANKET WAIVER OF TRANSFER OF RIGHTS
OF RECOVERY AGAINST OTHERS TO US**

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE

Name Of Person(s) Or Organization(s):
Any person(s) or organization(s) with whom you have agreed to such waiver, in a valid written contract or written agreement that has been executed prior to loss.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us of Section IV – Conditions:**

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

ALL OTHER CONDITIONS AND PROVISIONS OF THE POLICY REMAIN UNCHANGED BY THIS ENDORSEMENT.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

BLANKET WAIVER OF SUBROGATION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

It is agreed that the subrogation clause of this policy shall be waived when the Named Insured agrees prior to a loss to such waiver by the terms of a written contract entered into between the Named Insured and an entity that is part of that contract.

ALL OTHER CONDITIONS AND PROVISIONS OF THE POLICY REMAIN UNCHANGED BY THIS ENDORSEMENT.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

BLANKET ADDITIONAL INSURED – REQUIRED BY CONTRACT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

SECTION II – LIABILITY COVERAGE, Who Is An Insured is amended to include as an additional insured any person(s) or organization(s) with whom you have agreed in a valid written contract or agreement, executed prior to any "accident" or "loss", that such person(s) or organization(s) be added as an additional insured on your policy.

Such person(s) or organization(s) is an additional insured only with respect to liability for "bodily injury" or "property damage" caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto

ALL OTHER CONDITIONS AND PROVISIONS OF THE POLICY REMAIN UNCHANGED BY THIS ENDORSEMENT.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLLUTION LIABILITY – BROADENED COVERAGE FOR COVERED AUTOS – BUSINESS AUTO, MOTOR CARRIER AND TRUCKERS COVERAGE FORMS

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Liability Coverage is changed as follows:

1. Paragraph **a.** of the **Pollution** Exclusion applies only to liability assumed under a contract or agreement.
2. With respect to the coverage afforded by Paragraph **A.1.** above, Exclusion **B.6. Care, Custody Or Control** does not apply.

B. Changes In Definitions

For the purposes of this endorsement, Paragraph **D.** of the **Definitions** Section is replaced by the following:

- D.** "Covered pollution cost or expense" means any cost or expense arising out of:
1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
 2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraphs **a.** and **b.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

TEXAS WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

This endorsement applies only to the insurance provided by the policy because Texas is shown in Item 3.A. of the Information Page.

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule, but this waiver applies only with respect to bodily injury arising out of the operations described in the Schedule where you are required by a written contract to obtain this waiver from us.

This endorsement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

The premium for this endorsement is shown in the Schedule.

Schedule

1. () Specific Waiver
Name of person or organization

(X) Blanket Waiver
Any person or organization for whom the Named Insured has agreed by written contract to furnish this waiver.

2. Operations: ALL TEXAS OPERATIONS

3. Premium

The premium charge for this endorsement shall be 2.00 percent of the premium developed on payroll in connection with work performed for the above person(s) or organization(s) arising out of the operations described.

4. Advance Premium INCLUDED, SEE INFORMATION PAGE.

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.

(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy.)

This endorsement, effective on

at 12:01 A.M. standard time, forms a part of

Policy No. TSF-0001166409 20140303 of the Texas Mutual Insurance Company

Issued to BRESCO MARKETING CORPORATION

Premium \$

Endorsement No.



Authorized Representative



Legislation Details (With Text)

File #: 14-758 **Version:** 1 **Name:** FY15 Animal Shelter Resolution
Type: Presentation **Status:** Consent Agenda
File created: 10/8/2014 **In control:** City Council Regular
On agenda: 10/20/2014 **Final action:**
Title: Presentation, possible action and discussion approving a resolution authorizing expenditures to the Aggieland Humane Society, Inc. in the amount of \$205,000.
Sponsors: Jeff Kersten
Indexes:
Code sections:
Attachments: [Animal Shelter Resolution 2014.pdf](#)

Date	Ver.	Action By	Action	Result
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Presentation, possible action and discussion approving a resolution authorizing expenditures to the Aggieland Humane Society, Inc. in the amount of \$205,000.

Relationship to Strategic Goals: (Select all that apply)

1. Core Services and Infrastructure

Recommendation(s): Staff recommends approval of the resolution funding in the amount of \$205,000 to the Aggieland Humane Society, Inc.

Summary: On September 22, 2014, Council approved the FY15 budget, which included funding for the Aggieland Humane Society, Inc. Previously, on September 26, 2013, Council had approved a five(5) year Animal Shelter Services Agreement with the Aggieland Humane Society, Inc. (Contract #14-011) for shelter services. Under the Agreement, the funds are allocated yearly by Council resolution.

The FY15 funding level is based on the Aggieland Humane Society's estimated cost to the City of College Station for providing the contracted services.

Budget & Financial Summary: Pursuant to the Agreement, funds are available and budgeted in the General Fund within the Police Department. Payments for sheltering animals are made in 11 equal installments of \$17,083.33 and a twelfth installment of \$17,083.37.

Attachments:

1. Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS AUTHORIZING ANNUAL EXPENDITURE TO THE AGGIELAND HUMANE SOCIETY, INC. FOR ANIMAL SHELTER SERVICES PROVIDED TO THE CITY OF COLLEGE STATION BY THE AGGIELAND HUMANE SOCIETY, INC.

WHEREAS, the City of College Station entered into an Agreement on September 26, 2013, for Animal Shelter Services with the Aggieland Humane Society, Inc., and

WHEREAS, Article 5 of the Agreement says the City shall pay a fee for Animal Shelter Services to be established annually by separate resolution, and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

Part 1: That the City Council of the City of College Station authorize the expenditure for Fiscal Year 2014-2015 in the amount of \$205,000.00, to be payable in 11 equal installments of \$17,083.33 and a twelfth installment of \$17,083.37.

Part 2: That funds are budgeted and available in the Fiscal Year 2014-2015 Approved Budget in the General Fund.

Part 3: That this resolution is to be effective for the 2014-2015 Fiscal Year from October 1, 2014 – September 30, 2015.

Part 4: That this Resolution shall take effect immediately from the date of and after its passage.

ADOPTED this _____ day of _____, A.D. 2014.

ATTEST:

APPROVED:

City Secretary

Mayor

APPROVED:

City Attorney



Legislation Details (With Text)

File #:	14-759	Version:	1	Name:	2014 Property Tax Rolls
Type:	Presentation	Status:		Status:	Consent Agenda
File created:	10/9/2014	In control:		In control:	City Council Regular
On agenda:	10/20/2014	Final action:		Final action:	
Title:	Presentation, possible action, and discussion on approval of the 2014 Property Tax Roll in the amount of \$29,803,313.50.				
Sponsors:	Jeff Kersten				
Indexes:					
Code sections:					
Attachments:	College Station-2014 - TotalsReport rpt.pdf				

Date	Ver.	Action By	Action	Result
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Presentation, possible action, and discussion on approval of the 2014 Property Tax Roll in the amount of \$29,803,313.50.

Recommendation(s): Staff recommends approval of the 2014 Property Tax Roll in the amount of \$29,803,313.50.

Summary: Section 26.09 (e) of the Texas Property Tax Code mandates formal approval of the Tax Roll by the City Council as the final step in the process of establishing the tax roll for the new year. The tax roll consists of the Maintenance and Operations levy and the Interest and Sinking fund levy.

The tax roll that will be generated by the tax rate of \$0.4525 per \$100 assessed valuation is \$29,803,313.50. This tax rate was adopted by the City Council on September 20, 2014.

Budget & Financial Summary: See above

Reviewed and Approved by Legal: N/A

Attachments:

1. 2014 Levy Totals

2014 LEVY TOTALS

C2 - CITY OF COLL. STAT.

Property Count: 29,528

Grand Totals

10/8/2014

6:05:54PM

Land		Value				
Homesite:		925,091,197				
Non Homesite:		1,145,313,349				
Ag Market:		109,163,833				
Timber Market:		0		Total Land	(+)	2,179,568,379
Improvement		Value				
Homesite:		2,750,096,950				
Non Homesite:		2,518,731,048		Total Improvements	(+)	5,268,827,998
Non Real		Count	Value			
Personal Property:	2,948	450,302,610				
Mineral Property:	1,866	3,729,296				
Autos:	0	0		Total Non Real	(+)	454,031,906
				Market Value	=	7,902,428,283
Ag		Non Exempt	Exempt			
Total Productivity Market:	109,163,833	0				
Ag Use:	826,166	0		Productivity Loss	(-)	108,337,667
Timber Use:	0	0		Appraised Value	=	7,794,090,616
Productivity Loss:	108,337,667	0		Homestead Cap	(-)	10,599,484
				Assessed Value	=	7,783,491,132
				Total Exemptions Amount (Breakdown on Next Page)	(-)	1,133,076,128
				Net Taxable	=	6,650,415,004

Freeze	Assessed	Taxable	Actual Tax	Ceiling	Count		
DP	13,519,622	12,086,927	48,179.62	51,555.69	78		
DPS	416,960	416,960	1,748.58	1,748.58	3		
OV65	582,331,621	500,044,440	1,979,534.71	2,004,511.92	2,495		
Total	596,268,203	512,548,327	2,029,462.91	2,057,816.19	2,576	Freeze Taxable	(-) 512,548,327
Tax Rate	0.452500						
						Freeze Adjusted Taxable	= 6,137,866,677

Levy Info			
M&O Rate:	0.259447	M&O Tax:	17,088,133.75
I&S Rate:	0.193053	I&S Tax:	12,715,179.75
Protected I&S Rate:	0.000000	Protected I&S Tax:	0.00
		Ag Penalty:	0.00
		PP Late Penalty:	0.00
		Total Levy	29,803,313.50
Tax Increment Finance Value:	0		
Tax Increment Finance Levy:	0.00		

2014 LEVY TOTALS

C2 - CITY OF COLL. STAT.

Property Count: 29,528

Grand Totals

10/8/2014

6:05:55PM

Exemption Breakdown

Exemption	Count	Local	State	Total
CHODO (Partial)	8	8,555,734	0	8,555,734
DP	82	0	0	0
DPS	3	0	0	0
DV1	103	0	872,000	872,000
DV1S	6	0	20,000	20,000
DV2	55	0	570,000	570,000
DV3	56	0	596,000	596,000
DV3S	1	0	10,000	10,000
DV4	96	0	528,000	528,000
DV4S	21	0	224,929	224,929
DVHS	65	0	13,365,043	13,365,043
DVHSS	3	0	575,561	575,561
EX	5	0	1,085,475	1,085,475
EX-XD (Prorated)	3	0	43,829	43,829
EX-XG	1	0	123,160	123,160
EX-XI	1	0	11,500	11,500
EX-XN	12	0	1,217,190	1,217,190
EX-XR	1	0	8,160	8,160
EX-XU	7	0	23,692,970	23,692,970
EX-XV	558	0	988,095,797	988,095,797
EX-XV (Prorated)	16	0	960,241	960,241
EX366	1,672	0	166,325	166,325
FR	4	11,887,414	0	11,887,414
MASSS	3	0	533,890	533,890
OV65	2,705	79,602,910	0	79,602,910
OV65S	11	330,000	0	330,000
Totals		100,376,058	1,032,700,070	1,133,076,128



Legislation Details (With Text)

File #:	14-753	Version:	1	Name:	Buey Unit, Well #1H - Oil and Gas Drilling and Operations Permit
Type:	Presentation	Status:			Agenda Ready
File created:	10/6/2014	In control:			City Council Regular
On agenda:	10/20/2014	Final action:			
Title:	Public Hearing, presentation, possible action and discussion regarding an Oil and Gas Operations Permit for the Buey Unit, Well #1H as requested by the operator, Halcon Operating, Co., Inc. of Houston, Texas.				
Sponsors:	Alan Gibbs				
Indexes:					
Code sections:					
Attachments:	1 - Vicinity Map.jpg 2 - Resolution.pdf 3 - Exhibit A - Application.pdf 4 - Exhibit B - Location Map.jpg 5 - Exhibit C - Bond.pdf 6 - City Engineer Report to PRC.pdf 7 - Draft Permit 14-400041.pdf				

Date	Ver.	Action By	Action	Result
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Public Hearing, presentation, possible action and discussion regarding an Oil and Gas Operations Permit for the Buey Unit, Well #1H as requested by the operator, Halcon Operating, Co., Inc. of Houston, Texas.

Relationship to Strategic Goals: (Select all that apply)

- Neighborhood Integrity
- Diverse Growing Economy

Recommendation(s):

The Project Review Committee, comprised of the Planning and Zoning Commission Chair, the Fire Marshall, the Assistant Director of Planning and Development Services, and the City Engineer met on September 29, 2014 and unanimously recommended approval of the permit with all noted conditions.

Summary:

The Buey Unit Well #1H is a proposed well on a 71.07 acre tract located within the city limits. The location of the drilling site is approximately 1400 feet NNE of Holleman Drive South and Cain Road intersection. This proposed well Buey #1H is on the same proposed pad site as the Bistonte #3H well which was approved at the October 9th Council Meeting. Where much of the submittal is identical to the Bistonte submittal, this application has separate permit from the Texas Railroad Commission, separate \$250,000 bond, and city permit.

This proposed well site is classified by the City's Oil and Gas ordinance as High Impact. High Impact means any residential, administrative, professional, or commercial neighborhood zone where there is an existing residential, administrative, professional, or commercial neighborhood use within 1000 feet of the proposed oil or gas operation site. In this case there are residential buildings within 1000 feet. Access to the site is proposed from a proposed private access drive coming off Holleman Drive South.

The ordinance also requires drill sites to have a 600 foot separation from a cemetery, park, or residential unit, unless waived by the residential unit property owner and the party entitled to occupy the premises. There are no cemeteries, parks, or residential units within 600 feet of the proposed site, therefore no waivers are required by the ordinance.

In accordance with the ordinance as a High Impact Well classification, the City retained CME Testing and Engineering, Inc. a third party consultant, to evaluate the public impact of the proposed activity. The applicant was required to pay for the City hiring a Technical Consultant for a third party analysis of the application in accordance with the ordinance. The City Engineer hired CME Testing and Engineering, Inc. which accordingly provided an Environmental Impact Assessment Report (EIA) with an evaluation and recommendations. The EIA findings and all associated requirements outlined in the Chapter 4: Business Regulations, Section: Oil and Gas Regulations are incorporated into the City Engineer's Report to the Project Review Committee and were provided to the applicant. The EIA concluded the proposed separation distances to the nearest residential back yard fences should not have a significant adverse effect on human health.

The applicant provided a Truck Route Map which defines and limits the acceptable truck route, as well as the noted additional \$250,000 bond to repair any damage that may occur throughout drilling and operation.

The College Station Fire Department will provide emergency response and limited fire-fighting services surrounding and up to the site. The operator will be responsible for fire-fighting within the site in accordance with all Texas Railroad Commission regulations. The operator has contracted emergency response fire-fighting of the site to Boots and Coots, Inc. - A Halliburton Service and has provided an associated Well Control Contingency Plan.

The Project Review Committee concurred with the attached City Engineer's Report with the additional condition that the applicant provide and maintain a minimum of 10 foot wide earthen drive access path outside the site landscaping for wild land firefighting apparatus truck access and assist as a fire break. This noted condition as well as the EIA recommendations have been incorporated into the attached draft permit. The PRC did express concern with the close proximity this well site to the neighboring rental properties that are typically student housing units. The PRC recognizes that due to the applicant meeting the minimum noted spacing, the PRC is recommending approval, but wanted to express said concern about the future zoning of adjacent properties.

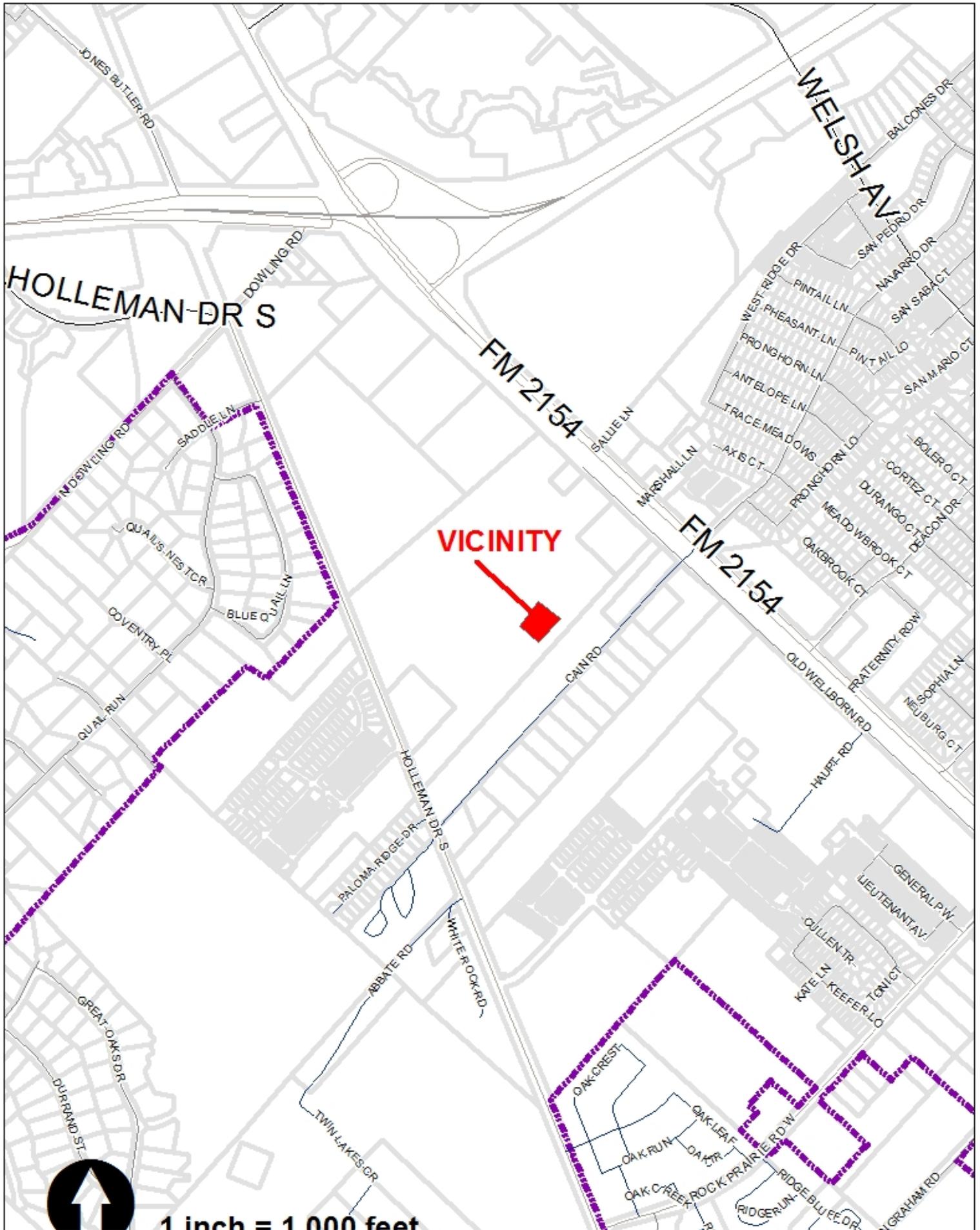
However, subsequent to the PRC meeting, the applicant updated the well site location approximately 300 ft to the northwest achieving greater separation from the closest residential units on Cain Road. Again this updated well site is in excess of 600 feet from all residential units, and this well site is the same joint pad as approved at the October 9th Council Meeting with the Bistonte Unit, Well #3H.

Budget & Financial Summary:

N/A

Attachments:

1. Vicinity Map
2. Resolution
3. Exhibit A - Application (Complete Application available at City Engineer's Office)
4. Exhibit B - Location Map
5. Exhibit C - Indemnity Bond
6. City Engineer Report to Project Review Committee
7. Draft Permit
8. Report of Environmental Impact Assessment (available at City Engineer's Office)





RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS GRANTING AN OIL AND GAS HIGH IMPACT PERMIT FOR THE BUEY UNIT, WELL NO. 1H NEAR CAIN ROAD, APPROXIMATELY 1400 FEET NORTH-NORTHEAST OF THE INTERSECTION OF HOLLEMAN DRIVE SOUTH AND CAIN ROAD, AND LOCATED WITHIN THE CITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of College Station, Texas, has reviewed an application for an Oil & Gas Rural Permit (“Permit”) submitted by Halcon Operating Co., Inc. for the Buey Unit, Well No. 1H; and

WHEREAS, Council has reviewed the Project Review Committee report and other related information relating to the afore-described proposed High Impact gas well located near Cain Road, approximately 1400 Feet north-northeast of the intersection of Holleman Drive South and Cain Road, within the City of College Station (the “City”); and

WHEREAS, pursuant to Chapter 4, Section 13.J Council is required to make certain findings and determinations in granting a permit for an oil and gas operations located within the City; and

WHEREAS, the City Council of the City of College Station, Texas, now desires to make such determinations and to grant such permit; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

PART 1: That the City Council hereby acknowledges receipt of an application, Project Review Committee report and other related information relating to an Oil and Gas Rural Permit to Halcon Operating Co., Inc. for the Buey Unit, Well No. 1H located near Cain Road, approximately 1400 Feet north-northeast of the intersection of Holleman Drive South and Cain Road. A copy of such paperwork and the exact location of said proposed well are attached hereto as exhibits “A” and “B”, respectively.

PART 2: That the City Council hereby makes the following determinations with respect to said proposed Permit:

1. That the following amount and type of security instrument has been issued: a bond in the amount of two-hundred and fifty thousand dollars and no cents (\$250,000) and as attached hereto as exhibit “C.”
2. That the operations proposed under the Permit are reasonable under the circumstances and conditions prevailing in the area;
3. That the operations proposed under the Permit are consistent with the health, safety, and welfare of the public when and if conducted in accordance with the permit conditions to be imposed; and
4. That the impact upon adjacent property and the general public of operations conducted in compliance with the Permit conditions are reasonable and justified, balancing the following factors:

- (1) The right of the owner(s) of the mineral estate to explore, develop, and produce the minerals.
- (2) The availability of alternate drill sites, both presently and at other times during the lease term.
- (3) The date of acquisition by the various owners of the surface and mineral estates.

PART 3: That based upon the above the City Council hereby grants said Permit and authorizes the City Manager or his designee to take any and all reasonable action to issue same.

PART 4: That this resolution shall take effect immediately from and after its passage.

ADOPTED this _____ day of _____, A.D. 2014.

APPROVED:

MAYOR

ATTEST:

City Secretary

APPROVED:

City Attorney

Application for Permit

TO CONDUCT OPERATIONS FOR THE DISCOVERY AND PRODUCTION OF OIL, GAS AND ASSOCIATED HYDROCARBONS WITHIN THE CITY OF COLLEGE STATION, TEXAS

HALCON OPERATING CO., INC. BUEY #1H BRAZOS COUNTY, TEXAS

1. APPLICANT'S NAME AND ADDRESS:

Jamie A. Robinson, Sr. Regulatory Analyst
Halcon Operating Co., Inc.
1000 Louisiana; Suite 6700
Houston, Texas 77002
713-652-4811

2. NAME AND ADDRESS OF DRILLING COMPANY:

Trinidad Drilling LP
Southern Division Main Office
20105 Krahn Road
Spring, Texas 77388

3. NAME AND ADDRESS OF OPERATOR:

Halcon Operating Co., Inc.
1000 Louisiana; Suite 6700
Houston, Texas 77002

4. PROPOSED WELL NAME:

Buey #1H

5. PROPOSED DEPTH OF WELL:

Halcon Operating Co., Inc. intends to drill the Buey #1 to an approximate depth of 9,000'± (TVD) and 20,000'± (MD) with the lateral in the Eagleford formation.

6. LOCATION AND DESCRIPTION OF ALL IMPROVEMENTS AND STRUCTURES WITHIN ONE THOUSAND (1000) FEET OF THE WELL:

Please refer to attached Exhibit A

7. SITE PLAN OF PROPOSED OPERATION, SHOWING LOCATION OF ALL IMPROVEMENTS AND EQUIPMENT:

Please refer to attached Exhibit B

8. AREA MAP SHOWING PROPOSED TRANSPORTATION ROUTE AND ROADS FOR EQUIPMENT, CHEMICALS OR WASTE PRODUCTS USED OR PRODUCED BY THE OIL OR GAS OPERATION AND ALL NATURAL FEATURES ON THE SITE:

Please refer to attached Exhibit C

9. DESCRIPTION OF TYPE, KIND, SIZE AND AMOUNT OF MAJOR EQUIPMENT USED BEFORE COMPLETION AND REWORKING:

Please refer to attached Exhibit D

10. DESCRIPTION OF SURFACE EQUIPMENT AFTER DRILLING AND COMPLETION:

Please refer to attached Exhibit A

11. WELL SURFACE CASING AND CEMENTING PROGRAM:

Please refer to attached Exhibit E

12. COPIES OF RAILROAD COMMISSION FORMS AND DRILLING PERMIT

Please refer to attached Exhibit F

13. SECURITY INSTRUMENT CONSISTING OF AN IRREVOCABLE LETTER OR CREDIT, INDEMNITY BOND OR CERTIFICATE OF DEPOSITE, AS REQUIRED BY THE ORDINANCE AND IN THE AMOUNT DETERMINED BY THE CITY COUNCIL WITHIN 30 DAYS AFTER COUNCIL APPROVAL:

Halcon Operating Co., Inc. commits to provide the required security instrument in the amount determined by the City Council within 30 days after Council approval of this permit application.

14. NAME OF REPRESENTATIVE WITH SUPERVISORY AUTHORITY OVER ALL OR GAS OPERATION SITE ACTIVITIES AND PHONE NUMBER WHERE HE/SHE CAN BE REACHED TWENTY-FOUR (24) HOURS A DAY:

15. LEGAL DESCRIPTION OF THE PROPERTY TO BE USED FOR THE OIL OR GAS OPERATION, THE PARCEL AND THE PRODUCTION UNIT (PLAT DESCRIPTION OR METES AND BOUND BEARINGS) AND NAME OF THE GEOLOGIC FORMATION AS USED BY THE RAILROAD COMMISSION OF TEXAS. PROPERTY RECORDED BY PLAT SHOULD REFERENCE SUBDIVISION, BLOCK AND LOT NUMBERS:

16. MINERAL LESSEE NAME AND ADDRESS:

Please refer to attached Exhibit G

17. SURFACE OWNER NAME AND ADDRESS:

18. NAME AND ADDRESS OF INDIVIDUAL REPRESENTING THE OWNER/APPLICANT DESIGNATED TO RECEIVE NOTICE:

Jamie A. Robinson, Sr. Regulatory Analyst
1000 Louisiana, Suite 6700
Houston, Texas 77002

19. EVIDENCE OF INSURANCE INFORMATION AS REQUIRED BY ORDINANCE NO. 1916:

(A) COMMERCIAL GENERAL LIABILITY	\$500,000
(B) AUTOMOBILE LIABILITY	\$500,000
(C) WORKERS' COMPENSATION	\$100,000

Please refer to attached Exhibit H

20. SURVEY OF PRODUCTION UNIT AT A SCALE OF 1 PER 200 OR GREATER BY A TEXAS CERTIFIED SURVEYOR INCLUDING:

(A) Lengths and bearings of all boundary lines for production
(B) Exact acreage of the production unit
(C) Exact location of the well within production with distances of a minimum of two adjacent boundary lines of the production unit
(D) Length of maximum diagonal within the production unit

Please refer to attached Exhibit I

21. OWNER AND ADDRESS OF EACH PARCEL OF PROPERTY WITHIN ONE THOUSAND (1000) FEET OF THE PROPOSED DRILL SITE

Please refer to attached Exhibit H

22. COPIES OF ALL REPORTS REQUIRED BY THE DEPARTMENT OF WATER RESOURCES AND COMMISSION

Please refer to exhibit K

23. STATEMENT UNDER OATH SIGNED BY APPLICANT THAT THE INFORMATION SUBMITTED IN THE APPLICATION IS TRUE AND CORRECT:

"I, Jamie A. Robinson, Sr. Regulatory Analyst of Halcon Operating Co., Inc., do hereby affirm that the information submitted in and attached to the Application for Permit to Conduct Operations for the Discovery and Production of Oil, Gas and Associated Hydrocarbons within the City of College Station, Texas for the Buey #1H is true and correct."

Septempber 23, 2014



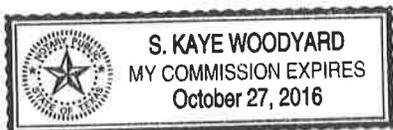
Jamie A. Robinson, Sr. Regulatory Analyst

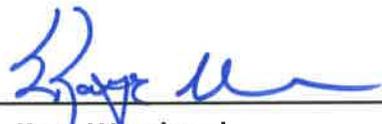
STATE OF TEXAS

COUNTY OF HARRIS

Sworn to and subscribed before me this 23rd day of September, 2014 by the above named **Jamie A. Robinson**, who is personally known to me.

Given under my hand and seal this day and year last written above





S. Kaye Woodyard
Notary Public in and for the State of Texas

24. INFORMATION FOR SEISMIC PERMITS

Not applicable

BOND
(License or Permit - Continuous)

ARGONAUT INSURANCE COMPANY
Deliveries Only: 225 W. Washington, 6th Floor, Chicago, IL 60606
United States Postal Service: P.O. Box 469011, San Antonio, TX 78246

Bond No. SUR0023705

KNOW ALL MEN BY THESE PRESENTS:

THAT WE, Halcon Operating Co., Inc., as Principal, and Argonaut Insurance Company, a corporation duly incorporated under the laws of the State of Illinois and authorized to do business in the State of Texas, as Surety, are held and firmly bound unto City of College Station, PO Box 9960 College Station, TX 77842 as Obligee, in the penal sum of Two Hundred Fifty Thousand and No/100 (\$250,000.00) Dollars, for the payment of which we hereby bind ourselves, our heirs, executors and administrators, jointly and severally, firmly by these presents.

WHEREAS, the Principal has obtained or is about to obtain a license or permit for Drilling / Operating Permit for Buey #1H.

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION ARE SUCH, that if the Principal shall faithfully perform all duties and protect said Obligee from any damage caused by the Principal's non-compliance with or breach of any laws, statutes, ordinances, rules or regulations, pertaining to the license or permit issued, then this obligation shall be null and void; otherwise to remain in full force and effect.

This bond shall become effective on the 18th day of September, 2014.

PROVIDED, that regardless of the number of years this bond is in force, the Surety shall not be liable hereunder for a larger amount, in the aggregate, than the penal sum listed above.

PROVIDED FURTHER, that the Surety may terminate its liability hereunder as to future acts of the Principal at any time by giving thirty (30) days written notice of such termination to the Obligee.

SIGNED, SEALED AND DATED this 18th day of September, 2014.

Halcon Operating Co., Inc.

By: _____


, Principal

Argonaut Insurance Company

By: _____


Brett A. Tisdale, Attorney-in-Fact

Argonaut Insurance Company
Deliveries Only: 225 W. Washington, 24th Floor
Chicago, IL 60606

United States Postal Service: P.O. Box 469011, San Antonio, TX 78246

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the Argonaut Insurance Company, a Corporation duly organized and existing under the laws of the State of Illinois and having its principal office in the County of Cook, Illinois does hereby nominate, constitute and appoint:

David G. Miclette, Edward G. Britt, Jr., David T. Miclette, Barry K. McCord, Kristi Lovett, Ashley Britt Russell, Joni Bowen, Brett A. Tisdale, Rita G. Gulizo, Heather Noles

Their true and lawful agent(s) and attorney(s)-in-fact, each in their separate capacity if more than one is named above, to make, execute, seal and deliver for and on its behalf as surety, and as its act and deed any and all bonds, contracts, agreements of indemnity and other undertakings in suretyship provided, however, that the penal sum of any one such instrument executed hereunder shall not exceed the sum of:

\$35,000,000.00

This Power of Attorney is granted and is signed and sealed under and by the authority of the following Resolution adopted by the Board of Directors of Argonaut Insurance Company:

"RESOLVED, That the President, Senior Vice President, Vice President, Assistant Vice President, Secretary, Treasurer and each of them hereby is authorized to execute powers of attorney, and such authority can be executed by use of facsimile signature, which may be attested or acknowledged by any officer or attorney, of the Company, qualifying the attorney or attorneys named in the given power of attorney, to execute in behalf of, and acknowledge as the act and deed of the Argonaut Insurance Company, all bond undertakings and contracts of suretyship, and to affix the corporate seal thereto."

IN WITNESS WHEREOF, Argonaut Insurance Company has caused its official seal to be hereunto affixed and these presents to be signed by its duly authorized officer on the 18th day of July, 2013.

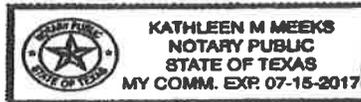
Argonaut Insurance Company

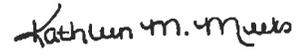

by: _____
Joshua C. Betz, Senior Vice President

STATE OF TEXAS
COUNTY OF HARRIS SS:

On this 18th day of July, 2013 A.D., before me, a Notary Public of the State of Texas, in and for the County of Harris, duly commissioned and qualified, came THE ABOVE OFFICER OF THE COMPANY, to me personally known to be the individual and officer described in, and who executed the preceding instrument, and he acknowledged the execution of same, and being by me duly sworn, deposed and said that he is the officer of the said Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and the said Corporate Seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority and direction of the said corporation, and that Resolution adopted by the Board of Directors of said Company, referred to in the preceding instrument is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed my Official Seal at the County of Harris, the day and year first above written.





(Notary Public)

I, the undersigned Officer of the Argonaut Insurance Company, Illinois Corporation, do hereby certify that the original POWER OF ATTORNEY of which the foregoing is a full, true and correct copy is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand, and affixed the Seal of said Company, on the 17th day of September 2014



Sarah Heineman, VP-Underwriting Surety

IMPORTANT NOTICE

To obtain information or make a complaint:

You may call Argonaut Insurance Company and its affiliates by telephone for information or to make a complaint:

ARGONAUT INSURANCE COMPANY

**Please send all notices of claim on this bond to:
Argo Surety Claims
(210) 321-8400**

**10101 Reunion Place
San Antonio, TX 78216-4156**

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance:

**P. O. Box 149104
Austin, TX 78714-9104
Fax: (512) 475-1771
Web: <http://www.tdi.state.tx.us>
E-mail: ConsumerProtection@tdi.state.tx.us**

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim you should contact your agent or Argo Surety first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR BOND:

This notice is for information only and does not become a part or condition of the attached document and is given to comply with Texas legal and regulatory requirements.

OIL & GAS OPERATIONS PERMIT APPLICATION
CITY ENGINEER'S REPORT TO THE PRC

ADMINISTRATIVE INFORMATION

PRC MEETING DATE: 09/29/14
CASE FILE NO. 14-400041
WELL NAME: Buey #1H
APPLICANT: Halcon Operating Co., Inc.
DRILLING COMPANY: Trinidad Drilling LP
WELL CLASSIFICATION: High Impact Classification, 1 each Vertical/Horizontal Wells
LOCATION: Surface ~1400 feet NNE of Holleman Dr S and Cain Rd Intersection
DEPTH: ~9000 feet Vertical Depth and ~20,000' Measured Depth with Lateral
ACCESS: Drilling and Production Truck Route – Direct access from Holleman Dr South to Rock Prairie Road West and to Wellborn Road

REQUIREMENTS AND PERMITS:	REQUIRED		PROVIDED AND ACCEPTABLE		
	YES	NO	YES	NO	N/A
Application Fee	X		X		
Technical Consultant Fee	X		X		
Texas Railroad Commission (Drilling Permit)	X		X		
FAA (Hazard to Aviation Determination)		X			X
Airport Zoning Board Height Variance		X			X
Insurance Certificates	X		X		
Surety	X		X		
Driveway Permit	X		X		

This proposed well Buey #1H is 20 feet east of the proposed Bistonte #3H well and both on the same proposed pad site. Where much of the submittal is identical to the Bistonte submittal, this application has separate permit from the Texas Railroad Commission, separate \$250,000 bond, and city permit.

As a High Impact Well, the applicant was required to pay for the City hiring a Technical Consultant for a third party analysis of the application in accordance with the city regulations. The City Engineer hired CME Testing and Engineering, Inc. which accordingly provided an Environmental Impact Assessment Report (EIA) with an evaluation and recommendations. The City Engineer concurs with the EIA findings and all recommendations such that all included recommendations be included as conditions to the permit; though the EIA did not identify significant concerns with the proposed well.

PRC REVIEW ITEMS

a. Alternate well location due to adjacent land uses.

(See Application Exhibit A) The ordinance requires drill sites to have a 600 foot separation from a "...residential unit, unless waived by the residential unit property owner and the party entitled to occupy the premises." The proposed site is approximately 300 feet northwest of the nearest existing residential building on Cain Road. There is a total of five four-plexes and two single-family houses within 600 feet of the proposed site, all along Cain Road. The proposed site could be relocated an additional 300 feet to the northwest to remove all of the buildings from the 600 foot buffer and still be on the same 71.07 acre property, however the applicant has indicated the land owner would not be favorable to this option.

To seek consideration of approval of the proposed site location within 600 ft of residential units in accordance with the ordinance, the applicant must receive waivers from all the subject residential

owners and occupants. The EIA concluded the proposed separation distances to the nearest residential back yard fences should not have a significant adverse effect on human health.

b. Air pollution control devices.

The drilling rig shall have industry standard air pollution control devices installed. Per the EIA, operator shall be pro-active with dust control on roads and driveway.

c. Noise and light control.

The EIA recommended to limit noise exposure at the nearest residence to 72dBA continuous. Halcon prepared a Noise Mitigation Plan which recommended sound walls on the east, south, and west sides of the site which is designed to keep the noise well below 72bBA.

The EIA recommends lights be orientated and minimized below 0.5 ft-candles at the rear of the residences.

Site development other than drilling shall be conducted only between 7:00 a.m. and 7:00 p.m.

d. Type of pump engine.

Electric

e. Height of pump equipment.

30 feet

f. Fire control measures, as required by this Ordinance.

Permittee shall erect and maintain signs which identify the well by name, the operator, his address and a 24 hr emergency contact phone number at the well site and at the intersection of the well site access road and the public street.

The College Station Fire Department will provide emergency response and limited fire-fighting services surrounding and up to the site. The operator will be responsible for fire-fighting within the site in accordance with all Texas Railroad Commission regulations. The operator has contracted emergency response fire-fighting of the site to Boots and Coots and has provided an associated Well Control Contingency Plan.

g. Fence and/or visual screening, as required by this Ordinance.

Drilling/Completions: If the drilling site is not occupied by the applicant or drilling company during the entire drilling period (24 hours/7days a week), security fencing will be required during drilling operations.

Production: A six-foot solid screen fence around the perimeter of the site is proposed in accordance with ordinance requirement.

h. Landscaping, as required by this Ordinance.

A landscape plan has been provided in accordance with ordinance Section 7.5 Landscaping and Tree Protection. The plantings are to be disbursed around the perimeter of the site.

i. Responsibilities of pump site and storage site maintenance.

Halcon is applying as the operator. Halcon has indicated emergency services has been contracted to Boots and Coots.

The EIA recommends the City inspect the berm maintenance and site for spills twice per week during the drilling phase, and monthly during the production.

j. Safety procedures.

Halcon has prepared an Emergency Preparedness and Response Plan to address emergency and response actions.

k. Special handling, storage, or disposal of sludge/waste.

College Station's Oil and Gas permits typically provide a condition to require the operator to notify the City Engineer within 24 hours of an onsite crude oil spill exceeding 55 gallons or any spill into water that creates a sheen.

Crude oil spills on the ground equal to or greater than 210 gallons or any spill into water that creates a sheen must be reported to TCEQ.

The operator has provides a Spill Prevention Control and Countermeasure Plan and shall maintain a monthly inspection log which address if site spills occur. The copy of said log will be provided to the City prior to permit annual renewal or when requested by the City.

Halcon will truck off sludge to one of the existing salt water deposal facilities in Brazos County.

The EIA recommends the City inspect the berm maintenance and site for spills twice per week during the drilling phase, and monthly during the production.

l. Hours of pumping operation.

Pumps will run continuously intermittent, but will be electric.

m. Gas flaring.

There will be no gas flaring.

n. Location of storage facilities.

Production and storage tanks shall be contained within containment area constructed in accordance with applicable oil field practice. Berms shall be constructed and maintained to retain not less than **110%** of the capacity of the largest of such tanks.

The EIA recommends the City inspect the berm maintenance and site for spills twice per week during the drilling phase, and monthly during the production.

o. Traffic loads or patterns, proposed street development, as required by this Ordinance, and ingress/egress of vehicular traffic.

Halcon has provided a Truck Route Map which defines and limits the acceptable truck route.

The access drive apron must have and maintain at a minimum, an asphalt surface from the street to the right-of-way line that conforms to the minimum pavement design as described in the Bryan/College Station Standards.

The remainder of the access drive shall be surfaced with crushed rock, gravel, ore, or oiled and maintained to prevent dust and mud.

Ingress/egress during production operation is via a proposed 35' wide gravel site access road along the western edge of the property line off Holleman Drive South.

Trucks shall not park or load/unload on or adjacent to a street.

p. Water source used during drilling operation.

A permit has been issued to the applicant from the Brazos Groundwater District for a water well adjacent to the proposed site.

q. Full line location and route between the well head and storage facilities.

An exhibit depicting the direct line from well bore to separator was provided.

STAFF COMMENTS:

This item is intended to be scheduled for the next available Council Meeting which is October 20th. To make this date, the City has already initiated notice to the local newspaper to run a public notice and mail notices to residences within 1500 ft of the site no later than October 3rd. Additionally, this report was prepared for the Project Review Committee (PRC), which is defined as the P&Z Commission Chair, Planning Director, Fire Marshall, and City Engineer. This committee shall make recommendations to City Council for consideration.

RECOMMEND SECURITY FOR COMPLIANCE WITH PERMIT TERMS AND ORDINANCE:

A bond for \$250,000 is required for security and has been provided.

SCHEDULE FOR COUNCIL ACTION:

City Council Regular Meeting: Publish according to High Impact Classification with Public Hearing and Council consideration on **October 20, 2014.**

**HIGH IMPACT
OIL AND GAS PERMIT
ISSUED BY THE CITY OF COLLEGE STATION, TEXAS**

PERMITTEE: Halcon Operating Co., Inc.
1000 Louisiana Street, Suite 6700
Houston, Texas 77002

EXPIRATION DATE: October 20, 2015

WELL NAME: Buey Unit, Well No. 1H

PERMIT NO: 14-400041

REGULATION: The City Council of the City of College Station has determined that the testing and exploration for and development, production and storage of oil, gas, and mineral hydrocarbons (including enhanced or secondary recovery thereof) within the City limits is an activity which necessitates reasonable regulations in order that such activities will not cause injury or property damage to the citizens of the City, and that such activities should conform to the comprehensive plan and zoning ordinances of the City as far as practicable in order to preserve the integrity of said ordinances and regulations. The City recognizes that conflicting property rights exist in the carrying out of such activities, and further recognizes the rights of all property owners, minerals and otherwise, to the peaceable enjoyment of their property and the benefits and revenues therefrom.

UNLAWFUL: It shall be unlawful to engage in any activity not permitted by the terms of this permit and the applicable laws, or to fail to comply with any condition set forth in this permit.

PERMIT TERMS: This permit is issued in accordance with Ordinance No. 1916, Chapter 4 Section 13 of the Code of Ordinances of the City of College Station, Texas, and with applicable ordinances, rules, regulations and laws of the City of College Station, the State of Texas and of the United States of America and their respective agencies, commissions and regulatory bodies.

The City Engineer is authorized and directed to enforce this Ordinance. Whenever necessary to enforce any provision of this Ordinance, or whenever the City Engineer has reasonable cause to believe any condition exists upon any premise or in any building contrary to this Ordinance, he may enter such place at any reasonable time to inspect or perform any duty imposed by this Ordinance.

Halcon Operating Co., Inc. is hereby issued this Oil and Gas Permit, having posted a Security Instrument in the amount of Two Hundred and Fifty Thousand and No/100 Dollars (\$250,000.00), in the form of a bond as set forth in Ordinance No. 1916, and required by action of the City Council.

Additional terms and conditions of the granting, issuance and continued effectiveness of this Oil and Gas Permit follow:

I. ADMINISTRATIVE REQUIREMENTS:

Permittee shall comply with Permittee's Application for Permit to conduct operations for the Discovery and Production of Oil, Gas and Associated Hydrocarbons within the City of College Station, Texas except as modified by this permit.

Permittee shall comply will all applicable Ordinances, Rules, Regulations and Laws of the City of College Station, the State of Texas, and of the United States of America and their respective agencies, commissions, and regulatory bodies.

Permittee shall comply with all recommendations in the September 16, 2014 Environmental Impact Assessment Report (EIA) prepared by CME Testing and Engineering, Inc.

Permittee shall comply with approved Truck Route Map for only approved access to the site from City roadways.

This permit is issued for a period of one (1) year. To continue oil and gas operations under this permit, the operator shall submit an application for renewal no later than thirty (30) days before the expiration of this permit.

The permittee shall maintain the security instrument and insurance required for issuance of this permit in effect for the terms of this permit.

II. SITE LOCATION:

No oil or gas drill site may be located or oil and gas operation shall occur:

- a. Within fifty feet (50') of any street, right-of-way, alley, or utility easement.
- b. Within six hundred feet (600') of a cemetery, park, or residential unit, unless waived by the residential unit property owner and the party entitled to occupy the premises.
- c. Within one thousand feet (1,000') of any school or hospital.
- d. In any public park unless authorized by State law.
- e. In any City streets or alleys.

III. SITE DEVELOPMENT:

Site development other than drilling shall be conducted only between 7:00 a.m. and 7:00 p.m.

Access to the site shall be via private access drive from Holleman Drive South.

The access drive apron must have at a minimum, an asphalt surface from the street to the right-of-way line that conforms to the minimum pavement design as described in the College Station Standard Specifications for Street Construction.

The remainder of the access drive shall be surfaced with crushed rock, gravel, ore, or oiled and maintained to prevent dust and mud. Drives shall be a maximum of thirty-five (35) feet wide and provide a minimum of a 24" RCP culvert.

Trucks shall not park or load/unload on or adjacent to a street.

IV. SCREENING AND LANDSCAPING:

The approved landscape plan shall be implemented and maintained. The plantings are to be disbursed around the perimeter of the site.

V. DRILLING SITE REQUIREMENTS:

If the drilling site is not occupied by the applicant or drilling company during the entire drilling period (24 hours/7days a week), security fencing will be required during drilling operations.

Permittee shall confine light and noise associated with exploration and production activities to the site to the maximum extent possible.

No drilling or re-working shall occur within one hundred (100) feet of any oil storage tank, ignition source or building.

At the conclusion of drilling, the drill site shall be cleaned within forty-eight (48) hours of all equipment and machinery that is not needed to produce the well.

At the conclusion of the drilling operation all equipment, materials and constructed items shall be removed from the area outside the production site. This area shall be returned to its original state within thirty (30) days of the completion of the drilling operation.

Drilling mud, cuttings, oil, or liquid hydrocarbons and all other oil field waste derived or resulting from or connected with the drilling, re-working, or deepening of any well shall be discharged into portable steel tanks.

Upon completion of drilling operations waste materials stored in portable steel tanks shall be removed from the site no later than thirty (30) days. Burning of sludge shall not be permitted.

The drilling rig shall have industry standard air pollution control devices installed. Per the EIA, operator shall be pro-active with dust control on roads and driveway.

Per the EIA, limit noise exposure at the nearest residence to 72dBA continuous. Implement and maintain the Noise Mitigation Plan with 24 foot tall sound walls on the

east, south, and west sides of the site which is designed to keep the noise well below 72bBA.

VI. PRODUCTION SITE REQUIREMENTS:

Within thirty (30) days after completion of drilling the site shall be screened by a fence enclosure constructed of any material compatible with surrounding uses which effectively screens the site and have landscaping.

Security fencing is required during the drilling operations.

A eight foot (8') solid screen, picket fence around the entire perimeter of the site is required.

All fencing should be at least one hundred feet (100') from any well.

All fencing shall be of a solid neutral color compatible with surrounding uses and shall be maintained in a neat, orderly, secure condition. Neutral colors for fencing shall include unobtrusive shades of sand, grey, brown, or other colors approved by the PRC.

Upon completion of a well as a commercial producer, any apparatus used in the production of the well, shall be enclosed as to prevent any entry by unauthorized persons and to prevent well equipment from being seen. The enclosure walls shall be solid and constructed with privacy fence materials. The enclosure shall remain locked at all times unless the well is being serviced by the operator or its service companies.

The shall at all times be kept free of debris, pools of oil, water or other liquids, weeds, brush, trash, or other waste material.

All discarded surplus materials, supplies, and refuse shall be removed from the operation site no later than thirty (30) days after completion of drilling operation.

Permittee shall erect and maintain signs which identify the well by name, the operator, his address and a 24 hr emergency contact telephone number at the well site and at the intersection of the well site access road with the public street.

A Permanent weatherproof sign reading "DANGER NO SMOKING ALLOWED" shall be posted at the entrance of the well site and tank battery.

The production site shall have a gate which shall be kept closed and locked except while occupied by Permittee, Permittee's personnel, Permittee's agents/representatives, City Engineer/designate or the Fire Department. The City Engineer shall be provided the combination to the gate lock.

Only electric prime movers or motors shall be permitted for the purpose of pumping wells.

All production equipment on the site shall be painted and maintained at all times, including pumping units, storage tanks, buildings and structures. Permittee shall paint pumping units,

storage tanks, and vessels a neutral color, or such other color scheme as may be approved by the City Planner.

No person shall allow, cause, or permit gases vented into the atmosphere to be burned by open flame except as allowed by law or permitted by the Commission.

Production and storage tanks shall be contained within earthen berms constructed in accordance with applicable oil field practice. Berms shall be constructed and maintained to retain not less than 110% of the capacity of the largest of such tanks.

No street or alley may be blocked or obstructed by any drilling or producing operations unless prior consent is obtained by the operator in the form of a resolution adopted by the Council, except when necessary to protect life or property in connection with emergency operations being conducted.

No person shall place, deposit, discharge, cause, or permit to be placed, deposited, or discharged, any oil, naphtha, petroleum, asphalt, tar, hydrocarbon substances, or any refuse, including wastewater or brine, from any oil and gas operation or the contents of any container used in connection with any oil operation in, into, or upon any public right-of-way, storm drain, ditch or sewer, sanitary, drain or sewer, any body of water, or any private property in the City.

No drilling equipment, re-working equipment, other portable equipment or idle equipment which are not essential to the everyday operation of the activity located thereon shall be stored on the oil or gas operation site.

Lumber, pipes, tubing, and casing shall not be left on the site except when drilling or well servicing operations are being conducted.

No person, owner, or operator shall store or park any vehicle or item of machinery on any street, right-of-way, driveway, alley, or upon any oil or gas operation site which constitutes a fire hazard or an obstruction to or interference with fighting or controlling fires except that equipment which is necessary for the maintenance of the site or for gathering or transportation of hydrocarbons from the site. The Fire Department shall be the entity which determines whether any equipment on the site shall constitute a fire hazard.

Per the EIA, limit noise exposure at the nearest residence to 72dBA continuous. Per the EIA, orient and minimize light to below 0.5 ft-candles at the rear of the residences.

VII. WELL SERVICING AND SITE MAINTENANCE:

No re-working shall occur within one hundred feet (100') of any oil storage tank, ignition source, or building.

After completion of well servicing or abandonment, owner shall repair all damage to public property caused by such servicing or abandonment operations.

At the conclusion of re-working operations, the drill site shall be cleaned within forty-eight (48) hours of all equipment and machinery that is not needed to produce the well.

Idle equipment will not be stored on the site. All well servicing equipment shall be removed from the site within fifteen (15) days after completion of a well servicing operation.

After completion of well servicing or abandonment, Operator shall repair all damage to public property caused by such servicing or abandonment operations.

All property on which an oil or gas operation occurs shall at all times be kept free of debris, pools of oil, water or other liquids, weeds, brush, trash, or other waste material.

VIII. ENVIRONMENTAL UPSETS:

After any leak, spill, or malfunction, the permittee shall remove or cause to be removed to the satisfaction of the City Engineer, and Fire Department all oil and waste materials from property affected by such spill, leak or malfunction.

In the event of the loss of control of any well or other oil and gas operation, (i.e., blowout, etc.) the Operator shall immediately take all reasonable steps to regain control of such activity regardless of any other provisions of this Ordinance and shall notify the City Engineer as soon as practicable.

IX. EMERGENCY SERVICES:

Permittee shall erect and maintain signs which identify the well by name, the operator, his address and a 24 hr emergency contact phone number at the well site and at the intersection of the well site access road and the public street.

The College Station Fire Department will provide emergency response and limited fire-fighting services surrounding and up to the site. The operator will be responsible for fire-fighting within the site in accordance with all Texas Railroad Commission regulations. The operator has contracted emergency response fire-fighting of the site to Boots and Coots and has provided an associated Well Control Contingency Plan.

Per the PRC, the Permittee shall provide and maintain a minimum of a 10 ft wide earthen drive access path outside the site landscaping for wild land fire-fighting apparatus truck access and to assist in fire break.

X. ACQUISITION AND TRANSFER OF EXISTING OPERATIONS

Transfer of the site operations by Permittee or acquisition of operations at this site by another party does not constitute transfer of this permit. The transferring party and acquiring party shall notify the City Engineer in writing, within ten (10) days of the transfer or acquisition.

The notice shall contain the following:

- a. The name and address of the person acquiring such well, property or site involving an oil or gas operation.
- b. The name and location of the oil or gas operation.

- c. The date of acquisition.
- d. A description of the properties and equipment acquired, and the oil or gas operation.
- e. The name and address of any individual designated to receive service of notice in compliance with the notice provision requirements.

XI. SITE ABANDONMENT

During abandonment, Operator shall comply with all applicable sections in this Ordinance.

Abandonment shall be approved by the City Engineer after restoration of the drill site and the subsurface thereof has been accomplished in conformity with the following requirements:

- a. All tanks, towers, and other surface installations are removed from the site.
- b. All concrete, piping, wood, and other foreign materials regardless of depth, except surface casing, are removed from the site, unless otherwise directed by the Commission.
- c. All holes and depressions are filled with clean compatible soil.
- d. All oil, waste oil, refuse, or waste material is removed from the site.
- e. Operator pays an abandonment fee in an amount set by Council resolution.
- f. Revegetate all disturbed areas in accordance with state and local regulations.

XII. PERMIT SUSPENSION OR REVOCATION

The City Engineer may, in writing, suspend or revoke any permit issued under the provisions of this article upon finding any of the following:

- a. Permittee failed, neglected, or refused to perform and comply with the conditions of this Permit.
- b. Permittee failed, neglected, or refused to comply with or abide by, or in any way violated any provision of this Ordinance or any regulation, law, rule, or order either directly or indirectly, by reason of or in connection with or incidental to the conduct of his oil or gas operation.
- c. Any of the Permittee's operations or the continuance thereof upon the premises covered by the permit is a menace or hazard to public or private property, or to any interest of the City, or to the lives or safety of persons.
- d. Any of the Permittee's operations or the continuance thereof upon the premises covered by the permit constitutes a public nuisance.

