

## SHELBY COUNTY AVIATION FUELS CONTRACT

THIS AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2021, by and between \_\_\_\_\_ of \_\_\_\_\_, \_\_\_\_\_ (hereinafter called "Seller") and SHELBY COUNTY COMMISSION (hereinafter called "Buyer") as follows:

1. **AGREEMENT:** Seller agrees to sell and deliver, and Buyer agrees to purchase, received and pays for from Seller, aviation fuel at Buyer's Shelby County storage facility in the quantities and under the terms and conditions set forth in this agreement, and Buyer agrees to purchase, receive and pay for such products under the terms and conditions as herein set forth.
2. **BRANDED PRODUCT:** Seller will provide \_\_\_\_\_ branded Aviation Gasoline and JetA fuel as specified herein. Buyer shall sell products hereunder only under the brand names as specified and shall have the right to use the trademarks and brand names contracted for advertising branded products handled by Buyer and in a manner and form satisfactory to Seller. Buyer shall not sell non-branded or alternatively branded products under the trademarks or brand names contracted by Seller. Minimum specifications covering all aspects of this contract shall be as follows:
  - (1) **Product/Specifications:**
    - (a) AvGas 100LL – meets or exceeds ASTM D 910.
    - (b) JetA – meets or exceeds ASTM D 1655, delivered to site with anti-icing additive pre-blended at the terminal.
  - (2) **Quantity/Term:**
    - (a) AvGas 100LL – up to 125,000 gallons per year, plus any unanticipated growth in sales.
    - (b) JetA – up to 120,000 gallons per year, plus any unanticipated growth in sales.
    - (c) Invoicing of fuel shall be based on net gallons delivered as verified by the bill of lading provided by the terminal.
    - (d) This contract will remain in force for a period of one year, beginning on the \_\_\_\_\_ day of \_\_\_\_\_ 2021, and upon the expiration thereof, may be extended with both parties' agreement for an additional year period upon the same terms and conditions as contained in this contract. This contract may be extended, with the consent of both parties, on a year to year basis on the same terms and conditions for a period of time not to exceed a total of three years.
  - (3) **Product Delivery and Price:**
    - (a) AvGas 100LL per gallon price will be calculated as follows: \_\_\_\_\_ Oil Company's previous weeks 5 day average of the Platts US Gulf Coast Mean 93 PUL (Premium Unleaded), \$ \_\_\_\_\_ per gallon as of the date bid plus fixed freight of \$ \_\_\_\_\_ per gallon plus fixed markup of \$ \_\_\_\_\_ plus tax shown on bid of seller dated \_\_\_\_\_, 2021, attached as Exhibit A hereto (and any increase in the rate of taxes

specified on said (bid of seller), plus Freight Fuel Surcharge, if applicable, as described in item 2(3)(h) herein.

- (b) Jet A with additive per gallon price will be calculated as follows:  
\_\_\_\_\_ Oil Company's previous weeks 5 day average of the Platts US Gulf Coast Pipeline 54, \$\_\_\_\_\_ per gallon as of the date bid plus fixed freight of \$\_\_\_\_\_ per gallon plus fixed markup of \$\_\_\_\_\_ plus tax shown on bid of seller dated \_\_\_\_\_, 2021, attached as Exhibit A hereto (and any increase in the rate of taxes specified on said (bid of seller), plus Freight Fuel Surcharge, if applicable, as described in item 2(3)(h) herein.

All invoices will reflect the place and date of Rack Price plus all other charges included in the total invoice and specify all fixed and other charges designated in the invoice as a part of the invoice price.

- (c) Deliveries of AvGas shall normally be full transport amounts, not less than 7,000 gallons or up to approximately 8,000 gallons.
- (d) All deliveries shall be made within 48 hours of order placement. Supplier and successful bidder understands and agrees that failure to deliver orders within 48 hours may result in Shelby County having insufficient fuel on hand to meet its customer's needs. Any deliveries made after the 48 hour deadline other than delays caused by catastrophic "Acts of God" that cause a disruption in supply or delivery may be subject to a 5% penalty deducted from the total invoice cost if it causes Shelby County to have insufficient fuel for its daily operations.
- (e) Compartment seals installed at the terminal shall be required or delivery of the fuel may be rejected.
- (f) Freight charges shall be based on Seller's closest delivery source to Shelby County, Alabama, regardless of actual source of delivery. In other words, if Birmingham, Alabama is the closest source, and for some reason Seller has to deliver from \_\_\_\_\_, \_\_\_\_\_, the freight charge will be based on delivery from \_\_\_\_\_, \_\_\_\_\_.
- (g) All freight charges shall be a separate line item on each delivery invoice.
- (h) Freight charges are to be fixed. A freight fuel surcharge may be added to reflect higher diesel fuel cost. The surcharge is to be calculated using the Department of Energy website. Calculations are to be one-half of a percent (0.5%) with each \$.05 cent/gallon change in the previous week's average U.S. No. 2 Diesel Ultra Low Sulfur Retail Price posed each Monday on the Department of Energy website. The website is: <http://tonto.eia.doe.gov/oog/info/gdu/gasdiesel.asp>. Use the Gulf Coast Region for pricing. No other calculations can be used, and no other charges may be added.
- (i) Invoice pricing shall reflect rack price (rack price: cost of product at bulk storage facility before it is loaded for over the road transportation), freight, freight surcharge, Federal Superfund tax, Federal excise tax, Alabama State taxes, Alabama State Inspection Fee, Environmental Impact Fee, prompt payment discounts, and any other applicable charges listed as separate line items on invoice.
- (j) Periodically, Buyer will request information supporting the fuel price charged for a certain delivery. This information shall include the vendor's proprietary rack price for that delivery, as well as freight invoices. In the event it is found that the price structure is not in

agreement with the pricing structure presented on the bid document, the vendor agrees to refund 110% of the price difference to Buyer and may result in termination of contract.

- (k) Seller shall supply any adapter needed to accommodate coupling of road transport vehicles to our systems.

(4) Credit Cards:

- (a) Seller shall accept, without processing fee, at least two major oil company credit cards.
- (b) Seller shall accept state and federal government issued credit cards.
- (c) Seller shall accept other general use credit cards such as, but not limited to Visa, MasterCard, and American Express at a processing fee not to exceed 2.5%. General use cards are defined as: Recognized name brand cards carried by the general public and used for a variety of purchases other than aviation.
- (d) Seller shall supply an electronic credit card machine, with all credit card supplies, forms, materials, and etc. without charge to the Buyer.
- (e) Seller shall offer a customer reward credit card program. Said program will offer rewards/incentives/bonuses to company branded card users. Attach a detailed description of the program.
- (f) Seller must provide toll-free credit card authorization service.
- (g) Seller's credit card processing service shall provide for normal airport related charges in addition to fuel, such as, but not limited to: tie down fees, hangar or lease payments, pilot supplies, minor repairs, and flight and/or weather service. The additional listed purchases must be processed at the same fee charge rate as fuel purchases.
- (h) Seller shall reimburse Buyer for credit transmittals by direct deposit to Buyer's bank account of record within two (2) days of receipt.

(5) Credit Terms:

- (a) Seller shall provide the Buyer with forty-five (45) day terms without penalty.
- (b) Other Credit terms may be offered to include prompt pay discounts and be made part of the bid response.

(6) Quality Control/Inspection:

- (a) Seller shall provide Buyer with written product quality reports on a quarterly basis and certification of quality for each delivery.
- (b) Seller shall inspect all fuel handling equipment on an annual basis and provide the Buyer with inspection reports.

(7) Insurance:

- (a) Seller shall provide at no cost to the Buyer excess Aircraft Fueling Liability Insurance covering all fuel related activity of at least fifty million dollars (\$50,000,000).

(8) Emergency Service:

- (a) Seller shall make available to Buyer a twenty-four (24) hour telephone number, should a problem occur or should Buyer require a weekend fuel delivery.

(9) **Training:**

- (a) Seller shall provide line service and quality control training to Buyer's employees, on-site, at the beginning of this contract, and also provide additional on-site training for any new employees during this contract period at no charge. Seller shall provide annual on-site line service and quality control training to Buyer's employees as necessary and as requested by Buyer.

(10) **Signage:**

- (a) Seller shall provide one large airport sign for air viewing and decals on ground equipment and fuel farm at no charge to Buyer. Please provide a suggested description and size details of the sign your company will supply on Bid Supplement Form. The actual sign shall be approved in writing by Buyer prior to construction and installation.

(11) **Transition:**

- (a) Fuel will be ordered from Seller when a full load (7,000 – 8,000 gallons) can be received. The delivered fuel will be added to Buyer's existing fuel in tank. All fuel in the tank will then become the responsibility of the Seller.

3. **PRICING:** Buyer agrees to pay for the aviation fuels covered by this contract in accord with the specifications above.

4. **CONDITIONS:** All orders hereunder will be filled with promptness, but it is mutually agreed that Seller shall not be obligated to furnish goods hereunder, nor be liable in damages for failure to do so, in the event of acts of God, strikes, lockouts, fires, foreign or domestic governmental authority, war conditions in this and any foreign country, accident delays by railway or other methods of transportation, or other causes beyond its control, shall render it impossible for Seller to do.

In the event Seller's supplier should, at any time during the life of this contract, discontinue the marketing of any or all grades of aviation fuel in Buyer's territory, Seller shall be relieved of all obligation to sell or deliver such discontinued grade or grades to Buyer, and Buyer shall be at liberty to purchase such discontinued grade or grades from other sources or, at Buyer's sole option, Buyer may then, and in such event, terminate this contract and seek bids for the supplying of all fuels needed or desired by Buyer.

5. **TRADEMARKS:** Seller grants to Buyer a nonexclusive, no-transferable right to use the "\_\_\_\_\_" brand or licensed trademark in connection with the sale of Aviation Fuel at Buyer's FBO. Buyer will conform to the branding rules of usage set forth by Seller. Nonconformance to these rules will result in the de-branding of Buyer's FBO.

6. **HEALTH, SAFETY & ENVIRONMENTAL ("HS&E") COMPLIANCE:**

1. **Product Handling:** Buyer shall exercise extreme caution in the storing, handling and dispensing equipment to prevent or eliminate contamination in any form, including commingling with other fuels.

Buyer shall immediately notify Seller of any instance of Aviation Fuel contamination or commingling with other fuels.

2. Environmental Compliance: Buyer shall observe any and all federal, state and the municipal laws, ordinances, rules and regulations, user permits, and the like pertaining to the composition, handling, storage and dispensing of Aviation Fuel purchased hereunder including, without limitation, any and all laws, ordinances, rules and regulations pertaining to the volatility or vapor pressure of Aviation Fuel and the storage of same in above ground or underground storage tanks. Buyer shall comply with any reasonable program instituted by Seller to assure compliance with any such laws, ordinances, rules and regulations.

7. **NOTICE:** Any notice given by one party to the other in connection with this Agreement shall be in writing and shall be sent by certified or registered mail, return receipt requested.

Seller: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Buyer: SHELBY COUNTY COMMISSION  
Attn: Shelby County Airport  
200 West College Street, Room 123  
Columbiana, AL 35051

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8. **MERGER:** There is no arrangement, agreement or understanding, by or between the contracting parties expressed or implied in any manner relating to the subject matters hereof nor herein specifically stated, and this Agreement shall not be altered or amended except in writing signed by both Buyer and Seller.

This the \_\_\_\_\_ day of \_\_\_\_\_ 2021.

SHELBY COUNTY COMMISSION

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Witness

By:\_\_\_\_\_

Date:\_\_\_\_\_

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Witness

By:\_\_\_\_\_

Date:\_\_\_\_\_