

SPECIFICATIONS FOR PROPANE

The City of Bolivar will accept bids for a propane gas requirements contract for the period of July 1 , 2016 through June 30, 2017. Formulas for price adjustments during the contract term must be set forth with particularity in the bid quotation, as well as any other services or consideration, if any, proposed to be provided upon an award of the bid.

The bid conditions and information are as follows:

- (1) *Bids are due by 2:00 p.m. on May 19th, 2016, and must be addressed to the attention of Natalie Scrivner, City Clerk. Bids may be mailed to PO Box 9, Bolivar Missouri, 65613 Bolivar, Missouri.*
- (2) Projected purchases of propane for the contract period will be approximately 50,000 gallons
- (3) The City of Bolivar will require new tanks for the Karlin Acres property. This will include: 1 500 gallon tank, 4 250 gallon tanks, and 1 330 gallon tank, or equivalent.
- (4) Bidder, at its option, may submit bids with a different price for “bobtail” vs. “transport” loads.
- (5) Successful bidder will be required to **submit their bid on the attached** Service Requirement Contract.
- (6) City of Bolivar reserves the right to reject all bids, to waive technicalities, to consider the financial stability of the bidder, and to consider the ability of the bidder to meet the City of Bolivar requirements.
- (7) The City of Bolivar is a fully exempt from all State and Local Sales Taxes and appropriate proof of exemption will be provided to the successful bidder or bidders.

PROPANE REQUIREMENTS CONTRACT

THIS CONTRACT made and entered into this ____ day of _____, 2016, by and between THE CITY OF BOLIVAR, and _____, a corporation authorized to do business in the State of Missouri, hereinafter referred to as "Supplier",

WITNESSETH:

- (1) Supplier hereby agrees to supply The City of Bolivar, and hereby agrees to take from Supplier all of The City of Bolivar's requirements for propane gas for the period commencing July 1, 2016 and continuing until midnight June 30, 2017.
- (2) The City of Bolivar agrees to pay Supplier ____ Cents per gallon for each gallon of propane delivered and filled their respective tanks as of the first fill under this agreement. Thereafter the price shall be as follows: (Check and complete *one* of the following)
 - a. The price shall remain fixed at ____ Cents per gallon throughout the term of this agreement.
 - b. The price shall float with each fill but at no time will the price exceed ____ cents. The formula for determining the price (subject to the maximum stated above), and shall be ____ cents per gallon above supplier's wholesale cost, including costs of transportation to its storage facilities in Polk County, Missouri. There shall be no transportation charge from those facilities to the properties of The City of Bolivar. Exhibit "A" shows historical "laid-in" cost of supplier.
 - c. The price shall float with each fill and shall be _____ cents per gallon above supplier's wholesale cost, including costs of transportation to its storage facilities in Polk County, Missouri or to the County where it maintains such facilities. There shall be no transportation charge from those facilities to the properties of The City of Bolivar.

If the price is a floating price (whether or not it is subject to a maximum), supplier agrees to supply The City of Bolívar or their respective legal counsel, accountants or other authorized agents, documentary proof of its wholesale and transportation costs at reasonable times and intervals, and upon written or oral request of such documentation.

- 1. In the event Supplier bids different prices for “bobtail” deliveries and “transport” loads, the deliveries to 1700 W Broadway shall always be at the lower of the two prices.**

- 2. Supplier assumes the duty to determine from time to time the percentage of fill and at no time shall such percentage be permitted to be less than forty percent (40%) of the City’s propane tank capacity. Should the fill level drop below that percentage, The City of Bolivar may cover without notice to Supplier for other sources of supply and Supplier shall be liable to The City of Bolivar and payable on demand for the difference between the contract rate per gallon and the rate actually paid by the City of Bolivar to cover. Unless directed otherwise in writing, Supplier shall fill the tanks to the maximum safe capacity of the tanks. In addition the supplier’s routine checking and filling of The City of Bolivar’s tanks, Supplier will deliver and fill said tanks to their maximum safe capacity upon the request of The City of Bolivar.**

- 3. Supplier shall maintain a commercial policy of general liability insurance with minimum limits of \$1 million per occurrence and \$2 million in aggregate to pay the City of Bolivar for any loss they may suffer as a result of Supplier’s, or its employees’, negligence or recklessness in providing propane pursuant to this Agreement. Supplier shall provide a certificate of this insurance upon the request of The City of Bolivar.**

- 4. In the event The City of Bolivar shall hire an attorney to enforce any term of this Agreement, Supplier agrees to pay all reasonable attorney fees and costs. Supplier agrees that any action to enforce the terms of this Agreement shall be brought in the Circuit Court of Polk County, Missouri.**

- 5. Supplier understands and agrees that the operation of The City of Bolivar and facilities is totally dependent upon a constant supply of propane gas and that the interruption of such supply and inability of The City of Bolivar to cover from other sources will of necessity result in a closure of the facility and substantial consequential damages. Therefore, failure of Supplier to comply with the provisions of this contract pertaining to fill levels shall be deemed a material breach of Agreement for which The City of Bolivar shall exercise any and all rights granted to it under the provisions of the Uniform Commercial Code of Missouri and any other applicable Statutes or Common Law.**

- 6. The City of Bolivar shall pay supplier by the 20th day of the month following the month in which the propane was delivered. For instance, if the propane is delivered on March 10, the invoice will be due by April 20.**

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by authorized agents as indicated below the day and year first above written.

THE CITY OF BOLIVAR

John F. Best, Mayor

ATTEST:

Natalie Scrivner, City Clerk

(Supplier)

By: _____
Signature

Title