



# CITY OF HOUSTON

Administration and Regulatory Affairs Department  
**Strategic Purchasing Division**

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August 1, 2011

**Subject:** Letter of Clarification No. 1 to Invitation to Bid No. S12-L23920 for Fuel Transportation Services for the Fleet Management Department.

**To:** All Prospective Bidders:

This letter of Clarification is being issued for the following reasons:

1) **To clarify and revise the above referenced solicitation as follows:**

- **The fuel will be picked up from the following terminals:**

**ConocoPhillips Company (Unleaded Gasoline):**  
Conoco Phillips Pasadena Fuel Terminal  
100 Jefferson St.  
Pasadena, TX 77501

**Motiva Enterprises LLC (Low Emission Diesel):**  
Motiva Fuel Terminal #8509  
1320 West Shaw St.  
Pasadena, TX 77501

**Magellan-Motiva Pipeline Fuel Terminal #8618**  
7901 Wallisville Rd.  
Houston, TX 77059

- **SECTION B, entitled SCOPE OF WORK/SPECIFICATIONS is hereby changed as follows:**
  - I. Remove pages 5, 6, 7 and 8 of 40 and replace with the attached pages 5, 6, 7 and 8 of 40 marked "Revised 08/01/2011".
- **SECTION C, entitled GENERAL TERMS AND CONDITIONS is hereby changed as follows:**
  - II. Remove pages 10, 11, 13, 29, 30 and 32 of 40 and replace with the attached 10, 11, 13, 29, 30 and 32 of 40 marked "Revised 08/01/2011".
- **The following are questions posed by a prospective bidder(s) and the answers thereto:**

**Question #1** Can the City provide the fuel tank sizes per delivery location?

**Answer:** See the attached "Fuel Site Location and Tank Information Sheet".

*Partnering to better serve Houston*

Council Members: Brenda Stardig Jarvis Johnson Anne Clutterbuck Wanda Adams Mike Sullivan Al Hoang Oliver Pennington  
Edward Gonzalez James G. Rodriguez Stephen C. Costello Sue Lovell Melissa Noriega C.O. "Brad" Bradford  
Jolanda "Jo" Jones **Controller: Ronald C. Green**

**Note: No further questions will be accepted after the publication of this Letter of Clarification.**

When issued, Letter(s) of Clarification shall automatically become a part of the bid documents and shall supersede any previous specification(s) and/or provision(s) in conflict with the Letter(s) of Clarification. It is the responsibility of the bidders to ensure that it has obtained all such letter(s). By submitting a bid on this project, bidders shall be deemed to have received all Letter(s) of Clarification and to have incorporated them into this solicitation.

Furthermore, it is the responsibility of each Contractor to obtain any previous Letter of Clarification associated with this solicitation.

*Martin L. King*

Martin L. King  
Senior Staff Analyst  
832-393-8705

Attachments:           1) Pages 5, 6, 7, 8, 10, 11, 13, 29, 30 and 32 of 40 marked "*Revised 08/01/2011*"  
                                  2) COH Fuel Site Location and Tank Information Sheet

**SECTION B**  
**SCOPE OF WORK/SPECIFICATIONS**

REVISED 08/01/11

**1.0 Scope of Work**

**1.1 This Contract is to provide all the necessary resources for fuel transportation delivery services for delivery of fuel from a Houston area refinery/terminal to City of Houston designated sites (Exhibits BB1 & BB2). The City seeks to improve quality and efficiency of delivery services and reduce costs. The Contractor must efficiently provide fuel transportation services that meet the requirements of the City. This includes transport truck (tanker truck) of 7,600 gallons or greater, during normal working hours, non-normal working hours and emergency situations as defined by the City.**

1.2 It is anticipated that the City will use approximately 46 million gallons of diesel fuel/unleaded gasoline during the five-year contract term and require approximately 7,000 transport truck loads (TTL's) and 12,750 less than truck loads (LTL's) for delivery.

1.3 The Contractor must meet all Federal, State and Local regulations and City of Houston insurance requirements. Company dispatch facilities and delivery vehicles will be inspected by City personnel for performance capability evaluation.

1.4 The Contractor will also deliver fuel to City generators. The number and size of the deliveries will vary, but will peak during times of emergencies. The City currently has in excess of 200 generators.

**2.0 Delivery of Fuel**

2.1 Fuel is to be delivered to the City site within 24 hours after notification to the contractor unless specified otherwise by ordering entity. The Contractor must notify the City within 24 hours if for any reason it is unable to make a delivery. The Contractor will be allowed additional time if agreed upon by the City representative.

2.2 The driver shall have a metered loading report from the fuel terminal. Before unloading of fuel begins, City personnel and contractor personnel shall measure the City tank(s) to receive fuel and shall measure the tank(s) after delivery.

2.3 Minimum delivery of a transport delivery will be 7,600 gallons per location.

2.4 Contractor shall have a City representative sign the delivery ticket which will specify the quantity and type of fuel delivered. Contractor shall also provide a copy of the Bill of Lading.

2.5 The Contractor's vehicles must meet refinery rack requirements.

2.6 The Contractor is responsible for damages it causes by contaminating fuel or delivering fuel into incorrect tank, for example: delivering unleaded gasoline into diesel tank.

**3.0 Fuel Site and Accessibility**

3.1 All City tanks shall be properly equipped to enable Contractor to safely deliver fuel. The Contractor shall notify the City of all situations that may be deemed unsafe. The Contractor may refuse to deliver fuel to an unsafe fuel site until the safety issue is resolved. A backhaul charge may apply if the Contractor attempts to deliver fuel and the fuel site is deemed unsafe (See 4.0 - Allowable Fees). The City shall be responsible for having proper equipment installed. The City shall work with the Contractor making a delivery to assure that the Contractor has proper accessibility to all tanks being fueled.

**4.0 Allowable Fees**

4.1 Order Cancellation Fee. Charge if the Contractor is unable to deliver fuel as a result of a fault by the City, as described in the contract "Fees and Costs" schedule.

4.2 Fuel Transfer Fee. Rate to transfer fuel from one City fuel site to another fuel site or generator, as described in the contract "Fees and Costs" schedule.

4.3 Backhaul Fee. Charge if the Contractor attempts to deliver fuel, but cannot as the fuel site is deemed unsafe, as described in the contract "Fees and Costs" schedule.

4.3 Same Day Delivery Fee. Same day delivery request to any City site, as described in the contract "Fees and Costs" schedule.

4.4 Split Delivery Fee. Delivery to another site within 5 miles of the ordering site and greater than 5 miles, as described in the contract "Fees and Costs" schedule.

## 5.0 Estimated Deliveries

REVISED 08/01/11

5.1 The City of Houston estimates approximately 19,750 deliveries per year of which 7,000 deliveries will be truck transport loads (approximately 7,600 gallons) or split loads, and approximately 12,750 deliveries will be less than tanker loads (LTL).

## 6.0 Interlocal Agreements

6.1 Under the same terms and conditions hereunder, the Contract may be expanded to other government entities through inter-local agreements between the City of Houston and the respective government entity that encompass all or part of the products/services provided under this contract. Separate contracts will be drawn to reflect the needs of each participating entity.

## 7.0 Invoicing and Payment

7.1 The Contractor shall submit an original invoice for each delivery order within thirty (30) days to:

City of Houston  
Fleet Management Department  
900 Bagby, 2nd Floor  
Houston, Texas, 77002

Each Invoice shall contain:

1. City's Purchase Order/Service Release Order Number.
2. The item number, type of fuel, total gallons delivered, the unit price and the total amount for each item.
3. Applicable Taxes.
4. The total amount of the invoice.
5. Corresponding bill of lading

7.2 The City of Houston will make ACH payment within thirty (30) days as applicable, excluding official City holidays as determined by City Council after receipt of Contractor's invoice. The City reserves all rights to review all payments made to the Contractor by auditing at a later date. Subject to such audit, any overpayments may be recovered from the Contractor. The City and Contractor agree that the terms of this contract and all rights otherwise reserved by law, shall constitute the sole, controlling contract terms with respect to attorney's fees and interest owed on delayed, disputed or delinquent payments in lieu of Article 601f, Vernon's Texas Civil Statutes.

7.3 The City is exempt from payment of Federal Excise and Transportation Tax and Texas Limited Sales, Excise, and use Tax. The City's Tax Exempt Number is 1-74-600-1164-0. Contractor's invoice shall not contain assessments of any of these taxes.

## 8.0 Additions & Deletions:

8.1 The City, by written notice from the City Purchasing Agent to the Supplier, at any time during the term of this award, may add or delete like or similar equipment, supplies, locations and/or services to the list of equipment, supplies, locations, and/or services to be provided. Any such written notice shall take effect on the date stated in the notice from the City. Similar equipment, supplies, services, or locations added to the award shall be in accordance with the solicitation specification/scope of services, and the charges or rates for items added shall be the same as specified on the bid form. In the event additional equipment, supplies, locations and/or services are not identical to the item(s) already awarded, the charges therefor will then be the Supplier's normal and customary charges or rates for the equipment, supplies, locations and/or services classified on the bid form.

## 9.0 Estimated Quantities Not Guaranteed:

9.1 The estimated quantities specified herein are not a guarantee of actual quantities, as the City does not guarantee any particular quantity of fuel transportation deliveries will be purchased during the term of this award. The quantities may vary depending upon the actual needs of the user Department. The quantities specified herein and on the electronic bid document are good faith estimates of usage during the term of the award. Therefore, the City shall not be liable for any contractual agreements/obligations the Supplier enters into based on the City purchasing/requiring all the quantities specified herein and in the electronic bid document.

- The fuel will be picked up from the following area terminals:

**ConocoPhillips Company (Unleaded Gasoline):**

Phillips Pipeline Co. Fuel Terminal

100 Jefferson St.

Pasadena, TX 77501

**Motiva Enterprises LLC (Low Emission Diesel):**

Motiva Fuel Terminal #8509

1320 West Shaw St.

Pasadena, TX 77506

**Magellan-Motiva Pipeline Fuel Terminal #8618**

7901 Wallisville Rd.

Houston, TX 77029

## DELIVERY LOCATIONS

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<u>Item No.</u>	<u>Delivery Locations</u>	<u>Item No.</u>	<u>Delivery Locations</u>
1	4500 WILL CLAYTON PKWY	36	3203 S DAIRY ASHFORD
2	9016 RANDOLPH	37	61 RIESNER
3	6011 FARLEY	38	8002 AIRLINE DR
4	6530 WEST LITTLE YORK	39	802 E BURRESS
5	2020 HOLLISTER	40	2700 DALTON
6	1919 LOUISIANA ST	41	100 JAPHET
7	2215 WEST 43RD	42	7101 RENWICK
8	5306 N MAIN ST	43	5900 TEAGUE
9	619 TELEPHONE RD	44	2200 PATTERSON
10	1811 GREGG	45	1700 E CROSSTIMBERS
11	2625 REED RD	46	22615 W SHOREWOOD DR
12	3100 CHIMNEY ROCK	47	5500 MCCARTY
13	7117 FANNIN	48	7440 CULLEN
14	3100 LAURA KOPPE	49	2525 SGT M GARCIA
15	7720 AIRPORT BLVD	50	2300 FEDERAL RD
16	675 MAXEY RD	51	8430 NEWCASTLE
17	19006 ALDINE WESTFIELD	52	3100 GENOA RED BLUFF
18	3000 GREENS RD	53	6200 WHEELER ST
19	11410 BEAMER	54	6520 ALMEDA
20	16111 CHIMNEY ROCK	55	11600 WALLISVILLE RD
21	1125 BRAESRIDGE	56	18203 GROESCHKE
22	3350 BREEZEWOOD	57	6600 HARBOR TOWN
23	14300 BRIAR FOREST DR	58	8201 JOHN RALSTON
24	235 EL DORADO BLVD.	59	6501 MEMORIAL
25	18580 CHANUTE	60	9500 MLK
26	1205 DART	61	8910 BISSONNET
27	22619 W SHOREWOOD DR	62	6001 MEMORIAL LOOP
28	6000 TEAGUE	63	4719 N SHEPHERD
29	9455 W MONTGOMERY	64	8400 MYKAWA RD.
30	17000 ALDINE WESTFIELD	65	7000 CAPITOL
31	8301 LEY RD	66	12025 SOWDEN RD
32	8300 MYKAWA	67	1245 JUDIWAY
33	7500 AVENUE E	68	5425 EASTEX
34	2855 BAY AREA BLVD	69	1502 CENTRAL ST
35	4503 BEECHNUT	70	11500 SOUTH POST OAK RD
		<b><u>71</u></b>	<b><u>7500 Airport Boulevard</u></b>
			<b><u>South Vault Emergency Generator</u></b>
		<b><u>72</u></b>	<b><u>(IAH - West-end of Runway 9/27)</u></b>

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**EXHIBITS**

\*\* A. DEFINITIONS

\*\* B. SCOPE OF SERVICES

**\*\*BB1. PICKUP LOCATIONS**

**\*\*BB2. DELIVERY LOCATIONS**

C. EQUAL EMPLOYMENT OPPORTUNITY

\*\* D. MWBE SUBCONTRACT TERMS

\*\* E. DRUG POLICY COMPLIANCE AGREEMENT

\*\* F. CERTIFICATION OF NO SAFETY IMPACT POSITIONS

\*\* G. DRUG POLICY COMPLIANCE DECLARATION

\*\* H. FEES AND COSTS

\*\* I. CONTRACTOR PAY OR PLAY

\* **Note:** These Exhibits shall be inserted into the contract Agreement at the time of contract execution.

**3.0 PARTS INCORPORATED:**

3.1 The above described sections and exhibits are incorporated into this Agreement.

**4.0 CONTROLLING PARTS:**

4.1 If a conflict among the sections or exhibits arises the Exhibits control over the Sections.

**5.0 DEFINITIONS:**

5.1 Certain terms used in this Agreement are defined in Exhibit "A".

**II. DUTIES OF CONTRACTOR**

**1.0 SCOPE OF SERVICES:**

**1.1** In consideration of the payments specified in this Agreement, Contractor shall provide all labor, material, equipment, transportation and supervision necessary to perform the services described in Exhibits "B", "BB1." & "BB2."

**2.0 INDEMNITY AND RELEASE:**

**2.1 RELEASE**

**PRIME CONTRACTOR/SUPPLIER AGREES TO AND SHALL RELEASE THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE CITY) FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CITY'S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE CITY'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.**

**2.2 INDEMNIFICATION:**

**PRIME CONTRACTOR/SUPPLIER AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY "THE CITY") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEY'S FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:**

**2.2.1 PRIME CONTRACTOR/SUPPLIERS AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY IN NUMBERED PARAGRAPHS 2.1-2.3, "PRIME CONTRACTOR/SUPPLIER") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;**

**2.2.2 THE CITY'S AND PRIME CONTRACTOR/SUPPLIER'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER PRIME CONTRACTOR/SUPPLIER IS IMMUNE FROM LIABILITY OR NOT; AND**

**2.2.3 THE CITY'S AND PRIME CONTRACTOR/SUPPLIER'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER PRIME CONTRACTOR/SUPPLIER IS IMMUNE FROM LIABILITY OR NOT.**

**2.2.4 PRIME CONTRACTOR/SUPPLIER SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR FOUR YEARS AFTER THE AGREEMENT TERMINATES. PRIME CONTRACTOR/SUPPLIER'S INDEMNIFICATION IS LIMITED TO \$500,000.00 PER OCCURRENCE. PRIME CONTRACTOR/SUPPLIER SHALL NOT INDEMNIFY THE CITY FOR THE CITY'S SOLE NEGLIGENCE.**

**EXHIBIT "BB1"  
PICKUP LOCATIONS**

REVISED 08/01/11

**EXHIBIT "BB2"  
DELIVERY LOCATIONS**

REVISED 08/01/11

