Regular Meeting of the:
Pampa City Commission
July 10, 2023
4:00 p.m.

Lance DeFever, Mayor
Paul Searl, Commissioner Ward 1
Brian Doughty, Commissioner Ward 2
Jimmy Keough, Commissioner Ward 3
Jimmy Reed, Commissioner Ward 4
Shane Stokes, City Manager
Barbara Stucker, City Secretary
Bryan J. Guymon, City Attorney

City of Pampa
201 W. Kingsmill
P.O. Box 2499
Pampa, Texas 79066-2499
Phone: 806-669-5750
Fax: 806-669-5767
CALL TO ORDER

INVOCATION

PLEDGE TO THE FLAGS

PUBLIC COMMENTS:
Citizens who have signed a card to speak to the City Commission will be heard at this time. In with the Texas Open Meetings Act, unless the subject matter of the presentation is on the Agenda, Commission Members and City Staff are prevented from discussing the subject and may respond only with statements of factual information or existing City policy. Citizens are limited to three (3) minutes for their presentation to the City Commission.

The City Commission reserves the right to adjourn into Executive Session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

PUBLIC HEARING:
The City Commission will conduct a Public Hearing at 4:00 PM to receive public comments relative to the 2022 Consumer Confidence Report for the Pampa Municipal Water System and the Water System at the Texas Department of Criminal Justice, Jordan and Baten Units.

REPORT:
- Pampa Hometown Independence Day Celebration – Dustin Miller, Community Services Director

DISCUSSION:
- 2023-2024 Budget – Enterprise Funds - Theresa Daniels, Finance Director

AUTHORIZATIONS BY CITY COMMISSION:

1. Consider approving the minutes of the June 26, 2023, Regular Commission meeting.

2. Consider excusing the absence of Commissioner Reed from the June 26, 2023, Regular Commission Meeting.

3. Consider adopting on second and final reading Ordinance No. 1782, an Ordinance by the City Commission amending section 4.02.033 – Alcoholic Beverages, of the Code of Ordinances, issuing City permits and licenses for two-year terms.

4. Consider adopting on second and final reading Ordinance No. 1783, an Ordinance by the City Commission amending Article 3.15 – Signs, of the Code of Ordinances, applying the City’s sign regulations to the City’s Extraterritorial Jurisdiction.

5. Consider authorizing the City Manager to enter into a Transportation Fuel Purchase Agreement with Mansfield Oil Company.
ADJOURN

CERTIFICATION

I certify that the above Agenda was posted on the officially designated bulletin board of City Hall during normal business hours and posted on the City of Pampa’s website on JULY 07, 2023, BEFORE 4:00 P.M. and remained so posted continuously for 72 hours proceeding the scheduled time of the said meeting.

Barbara Stucker, City Secretary

ACCESSIBILITY STATEMENT

In compliance with the Americans with Disabilities Act, the City of Pampa will provide for reasonable accommodations for persons attending City Commission meetings. To better serve you, requests should be received 24 hours prior to the meetings. Please contact Barbara Stucker, City Secretary, at (806) 669-5750. City Hall is wheelchair accessible. Entry is on the West side of the building.
PUBLIC HEARING:

ITEM/PROJECT: 2022 CONSUMER CONFIDENCE REPORT

MEETING DATE: July 10, 2023

DESCRIPTION: The City Commission will conduct a Public Hearing to receive public comments relative to the 2022 Consumer Confidence Report for the Pampa Municipal Water System and the Water System at the TDCJ, Jordan & Baten Units.

STAFF CONTACT: Gary Turley, Public Works Director
Brian Bridwell, OMI
CITY OF PAMPA
AGENDA INFORMATION SHEET

REPORT:

ITEM/PROJECT: Pampa Hometown Independence Day Celebration

MEETING DATE: July 10, 2023

STAFF CONTACT: Dustin Miller, Community Services Director
DISCUSSION:

ITEM/PROJECT: 2023-2024 Budget – Enterprise Funds

MEETING DATE: July 10, 2023

STAFF CONTACT: Theresa Daniels, Finance Director
## AGENDA ITEM: 1

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<thead>
<tr>
<th>ITEM/PROJECT:</th>
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<tbody>
<tr>
<td>MEETING DATE:</td>
<td>July 10, 2023</td>
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<tr>
<td>DESCRIPTION:</td>
<td>Consider approving the minutes of the June 26, 2023, Regular Commission Meeting.</td>
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<tr>
<td>STAFF CONTACT:</td>
<td>Barbara Stucker, City Secretary</td>
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<tr>
<td>FINANCIAL IMPACT:</td>
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<td>SOURCE OF FUNDS:</td>
<td>N/A</td>
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<tr>
<td>START/COMPLETION SCHEDULE:</td>
<td>Minutes take effect after Commission approves.</td>
</tr>
<tr>
<td>RECOMMENDED ACTION:</td>
<td>Staff recommends Commission approve the minutes of the June 26, 2023, Regular Commission Meeting.</td>
</tr>
<tr>
<td>RECOMMENDED MOTION</td>
<td>I make a motion to approve the minutes of the June 26, 2023, Regular Commission Meeting.</td>
</tr>
<tr>
<td>BACKGROUND/ADDITIONAL INFORMATION:</td>
<td>Copy of Minutes of the June 26, 2023, meeting attached.</td>
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</table>
CALL TO ORDER: Mayor Lance DeFever at 4:00 p.m.

PRESENT:
- Lance DeFever Mayor
- Paul Searl Commissioner
- Brian Doughty Commissioner
- Jimmy Keough Commissioner (via Teleconference)

ABSENT: Jimmy Reed Commissioner

STAFF:
- Shane Stokes City Manager
- Bryan Guymon City Attorney
- Barbara Stucker City Secretary
- Theresa Daniels Finance Director
- Dustin Miller Community Services Director
- Kasey Presson Fire Chief
- Gary Turley Public Works Director
- Lance Richburg Chief of Police
- Kevin Webb Information Technology
- Leroy Cox Assistant Fire Chief
- Jason Roberts Fire Marshal
- Cary Rushing Building Official
- Kenneth Hopson Assistant Police Chief
- Chris Steger Billing Supervisor
- Liz Woods Dispatch
- Troy Schwiegerath Emergency Management
- Kasey Presson Fire Chief

VISITORS:
- Doug Abernathy Michael Peters
- Montana Davis

NEWS MEDIA: None

INVOCATION: Bryan Doughty, Commissioner

PUBLIC COMMENTS: Doug Abernathy, 2704 Rosewood Lane – Concerns about property tax increases in the North Crest Addition.

RECOGNITION:
- Lance Richburg, Chief of Police, recognized the Police Officer of the Year, Skyler Emery and Dispatcher of the year, Liz Wood.

DISCUSSION:
- 2023-2024 Budget Recap, Special Revenue & Other– Theresa Daniels, Finance Director

AUTHORIZATIONS BY CITY COMMISSION:

1. Consider approving the minutes of the May 22, 2023, Regular Commission Meeting and the June 5, 2023, Work Session.

   23-069

   A motion was made by Commissioner Searl and seconded by Commissioner Doughty to approve the minutes of the May 22, 2023, Regular Commission Meeting and the June 5, 2023, Work Session as presented. With each Commission Member voting AYE, the motion carries.

2. Consider excusing the absence of Commissioner Doughty and Commissioner Reed from the June 5, 2023, Work Session.

   23-070
A motion was made by Commissioner Searl and seconded by Commissioner Doughty to excuse the absence of Commissioner Doughty and Commissioner Reed from the June 5, 2023, Work Session. With each Commissioner Member voting AYE, the motion carries.


23-071

A motion was made by Commissioner Doughty and seconded by Commissioner Searl to approve the List of Disbursements dated May 2023 as presented. With each Commission Member voting AYE, the motion carries.

4. Consider adopting Resolution No. R23-016, a Resolution of the City Commission authorizing the Mayor to enter into an Interlocal Agreement with Panhandle Regional Planning Commission for 9-1-1 service and equipment.

RESOLUTION NO. R23-016
A RESOLUTION APPROVING INTERLOCAL AGREEMENT WITH PANHANDLE REGIONAL PLANNING COMMISSION FOR 9-1-1 SERVICE AND EQUIPMENT

23-072

A motion was made by Commissioner Doughty and seconded by Commissioner Searl to adopt Resolution No. R23-016 as presented. With all commission members voting AYE, the motion carries.

5. Consider approving on first reading Ordinance No. 1782, an Ordinance by the City Commission amending section 4.02.033 – Alcoholic Beverages, of the Code of Ordinances, issuing City permits and licenses for two-year terms.

ORDINANCE NO. 1782
AN ORDINANCE AMENDING SECTION 4.02.033(B) OF CHAPTER 4, BUSINESS REGULATIONS, ARTICLE 4.02, ALCOHOLIC BEVERAGES, TO PROVIDE THAT CITY PERMITS AND LICENSES ISSUED UNDER THAT ARTICLE SHALL BE ISSUED FOR TWO YEARS FOR THE TERM CONCURRENT WITH THE STATE PERMIT AND LICENSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE

23-073

A motion was made by Commissioner Searl and seconded by Commissioner Doughty to approve on first reading Ordinance No. 1782 as presented. With each Commission Member voting AYE, the motion carries.

6. Consider approving on first reading Ordinance No. 1783, an Ordinance by the City Commission amending Article 3.15 – Signs, of the Code of Ordinances, applying the City’s sign regulations to the City’s Extraterritorial Jurisdiction.

ORDINANCE NO. 1783
AN ORDINANCE AMENDING A SECTION OF CHAPTER 3, BUILDING REGULATIONS, ARTICLE 3.15, SIGNS, BY AMENDING ONE SECTION AND ADDING ANOTHER SECTION TO PROVIDE THAT THE CITY’S SIGN REGULATIONS APPLY IN THE CITY’S EXTRATERRITORIAL JURISDICTION; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE

23-084

A motion was made by Commissioner Doughty and seconded by Commissioner Searl to approve on first reading Ordinance No. 1783 as presented. With each Commissioner Member voting AYE, the motion carries.

7. CONSENT AGENDA: All consent agenda items are considered routine in nature by the Commission and will be enacted by one motion. There will be no separate discussion on these items unless a Commissioner requests, in which event, that item will be removed from the Consent Agenda and considered in normal sequence on the Agenda.
a. Consider awarding bid to Carlos Mata Salgado in the amount of $7,500.00 for the delinquent property located at Lots 11-12, Block 6, Finley Banks, commonly known as 1126 Oklahoma.

b. Consider awarding bid to Alicia Rios in the amount of $3,500.00 for the delinquent property located at Lot 2, Block 3, Taylor, commonly known as 1138 S. Christy.

c. Consider awarding bid to Sharon K. Bresee in the amount of $515.00 for the delinquent tax property located at Lot 15, Block 2, Talley, commonly known as 706 N. Zimmers.

23-075

A motion was made by Commissioner Doughty and seconded by Commissioner Searl to approve Consent Agenda items A through C. With each Commissioner Member voting AYE, the motion carries.

8. EXECUTIVE SESSION: The City Commission convened into closed session at 5:13 p.m. in accordance with Texas Government Code, Section 551.087 to discuss Economic Development Negotiations, including Residential Housing Incentive Program Agreements.

RECONVENE: The City Commission reconvened into open session at 6:00 p.m. to act, if necessary, regarding matters discussed in Executive Session.

23-076

A motion was made by Commissioner Doughty and seconded by Commissioner Searl to authorize the City Manager to execute Residential Housing Incentive Program Agreements with J&M Bagwell Properties, LLC & Taylormade Land and Home Development. LLC. With each Commissioner Member voting AYE, the motion carries.

ADJOURNED:

There being no further business on the agenda, the meeting was adjourned at 6:01 p.m. by Mayor Lance DeFever.

Barbara Stucker, City Secretary Lance DeFever, Mayor
## AGENDA ITEM: 2

<table>
<thead>
<tr>
<th>ITEM/PROJECT:</th>
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<tr>
<td>STAFF CONTACT:</td>
<td>Commission Members</td>
</tr>
<tr>
<td>FINANCIAL IMPACT:</td>
<td>N/A</td>
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<td>START/COMPLETION SCHEDULE:</td>
<td>N/A</td>
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<tr>
<td>RECOMMENDED ACTION:</td>
<td>Staff recommends Commission excuse the absence of Commissioner Reed from June 26, 2023, Regular Commission Meeting.</td>
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<td>RECOMMENDED MOTION</td>
<td>I make a motion to excuse the absence of Commissioner Reed from the June 26, 2023, Work Session.</td>
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</table>
**AGENDA ITEM: 3**

**ITEM/PROJECT:** ORDINANCE NO. 1782 – AMENDING ALCOHOLIC BEVERAGE PERMIT TERMS

**MEETING DATE:** June 26, 2023

**DESCRIPTION:** Consider adopting on second and final reading Ordinance No. 1782, an Ordinance by the City Commission amending section 4.02.033 - Alcoholic Beverages, of the Code of Ordinances, issuing City permits and licenses for two-year terms.

**STAFF CONTACT:** Cary Rushing, Building Official

**FINANCIAL IMPACT:** N/A

**SOURCE OF FUNDS:** N/A

**START/COMPLETION SCHEDULE:** Ordinance takes effect after adopted on second reading

**RECOMMENDED ACTION:** Staff recommends Commission approve on first reading Ordinance No. 1782.

**RECOMMENDED MOTION** I make a motion to adopt on second and final reading Ordinance No. 1782 as presented.

**BACKGROUND/ADDITIONAL INFORMATION:** Ordinance No.1782 attached.
ORDINANCE NO. 1782

AN ORDINANCE AMENDING SECTION 4.02.033(B) OF CHAPTER 4, BUSINESS REGULATIONS, ARTICLE 4.02, ALCOHOLIC BEVERAGES, TO PROVIDE THAT CITY PERMITS AND LICENSES ISSUED UNDER THAT ARTICLE SHALL BE ISSUED FOR TWO YEARS FOR THE TERM CONCURRENT WITH THE STATE PERMIT AND LICENSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City previously adopted alcoholic beverage regulations that have been codified in the City’s Code of Ordinances, Chapter 4, Article 4.02, Alcoholic Beverages; and

WHEREAS, it is necessary to amend Section 4.02.033(b) to provide that the City permits and licenses issued under that Article shall be issued for two years for the term concurrent with the state permit and license; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF PAMPA, TEXAS:

SECTION I

A. That the City of Pampa Code of Ordinances be amended as follows (for reference purposes, new additions to the Code of Ordinances are underlined and italicized with deleted or omitted provisions indicated by strike out type): Section 4.02.033(b) shall be amended to read as follows:

(b) All permits and licenses shall be issued for one (1) two years for the term concurrent with the state permit and license.

SECTION II

Repealer. All ordinances, or parts thereof, that are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters regulated herein.

SECTION III

Severability. The provisions of this ordinance are declared to be severable. If any section, sentence, clause, or phrase of the ordinance shall for any reason be held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining sections, sentences, clauses, and phrases of this ordinance, but they shall remain in full force and effect; it being the legislative intent that this ordinance shall remain in effect notwithstanding the validity of any part.

SECTION IV
**Effective Date.** This Ordinance shall take effect immediately upon its adoption by the City Commission and publication as may be required by governing law.

**SECTION V**

**Open Meetings.** It is hereby officially found and determined that the meeting at which this Ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the *Open Meetings Act, Chapter 551, Gov't. Code.*

PASSED AND APPROVED on first reading this 26th day of June 2023.

PASSED, APPROVED, AND ADOPTED on second reading this 10th day of July 2023.

CITY OF PAMPA, TEXAS

By: ________________________________
Lance DeFever, Mayor

ATTEST:

_____________________________
Barbara Stucker, City Secretary

APPROVED AS TO FORM:

_____________________________
Bryan J. Guymon, City Attorney
<table>
<thead>
<tr>
<th>ITEM/PROJECT:</th>
<th>ORDINANCE NO. 1783 – AMENDING SIGN REGULATIONS TO APPLY TO ETJ</th>
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<td>DESCRIPTION:</td>
<td>Consider adopting on second and final reading Ordinance No. 1783, an Ordinance by the City Commission amending Article 3.15 of the Code of Ordinances – Signs, applying the City’s sign regulations to the City’s Extraterritorial Jurisdiction.</td>
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<td>STAFF CONTACT:</td>
<td>Shane Stokes, City Manager</td>
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ORDINANCE NO. 1783

AN ORDINANCE AMENDING A SECTION OF CHAPTER 3, BUILDING REGULATIONS, ARTICLE 3.15, SIGNS, BY AMENDING ONE SECTION AND ADDING ANOTHER SECTION TO PROVIDE THAT THE CITY’S SIGN REGULATIONS APPLY IN THE CITY’S EXTRATERRITORIAL JURISDICTION; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City previously adopted a comprehensive Sign Ordinance that has been codified in the City’s Code of Ordinances, Chapter 3, Article 3.15, Signs; and

WHEREAS, it is necessary to amend Section 3.15.002 and add Section 3.05.016 to clearly provide that the City’s sign regulations apply in the City’s extraterritorial jurisdiction; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF PAMPA, TEXAS:

SECTION I

A. That the City of Pampa Code of Ordinances be amended as follows (for reference purposes, new additions to the Code of Ordinances are underlined and italicized with deleted or omitted provisions indicated by strike out type): Section 3.15.002 shall be amended to read as follows.

3.15.002 Purpose. The purpose of this article is to establish reasonable regulations for the design, construction, installation and maintenance of all outdoor signs in the city and its extraterritorial jurisdiction (ETJ), in order to:

(1) Balance the right of individuals to identify their businesses and convey their messages and the right of the public to be protected against the unrestricted proliferation of signs;
(2) Protect the public health, safety and welfare;
(3) Reduce traffic hazards;
(4) Facilitate the creation of an attractive and harmonious community;
(5) Protect property values;
(6) Promote economic development; and
(7) Preserve the right of free speech exercised through the use of signs containing noncommercial messages.

B. Section 3.15.016 Application, shall be added to read as follows:

(a) All construction, relocation, enlargement, alteration, and modification of signs within the City and extraterritorial jurisdiction (ETJ) shall conform to the
requirements of this Section, all state and federal regulations concerning signs and advertising, and applicable building codes.

(b) In accordance with the provisions of Texas Local Government Code § 216.902, the provisions of this Article shall extend to and be enforced in the ETJ of the City.

SECTION II

Repealer. All ordinances, or parts thereof, that are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters regulated herein.

SECTION III

Severability. The provisions of this ordinance are declared to be severable. If any section, sentence, clause, or phrase of the ordinance shall for any reason be held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining sections, sentences, clauses, and phrases of this ordinance, but they shall remain in full force and effect; it being the legislative intent that this ordinance shall remain in effect notwithstanding the validity of any part.

SECTION IV

Effective Date. This Ordinance shall take effect immediately upon its adoption by the City Commission and publication as may be required by governing law.

SECTION V

Open Meetings. It is hereby officially found and determined that the meeting at which this Ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551, Gov't. Code.

PASSED AND APPROVED on first reading this 26th day of June 2023.

PASSED, APPROVED, AND ADOPTED on second reading this 10th day of July 2023.

CITY OF PAMPA, TEXAS

By: ________________________________
Lance DeFever, Mayor
ATTEST:

________________________________________
Barbara Stucker, City Secretary

APPROVED AS TO FORM:

________________________________________
Bryan J. Guymon, City Attorney
ITEM/PROJECT: FUEL PURCHASE AGREEMENT

MEETING DATE: July 10, 2023

DESCRIPTION: Consider authorizing the City Manager to enter into a Transportation Fuel Purchase Agreement with Mansfield Oil Company.

STAFF CONTACT: Theresa Daniels, Finance Director

FINANCIAL IMPACT: Information provided at meeting

SOURCE OF FUNDS: Operating Budget

START/COMPLETION SCHEDULE: Fuel delivery period from July 2023 to August 2023

RECOMMENDED ACTION: Staff recommends Commission authorize the City Manager to enter into an agreement with Mansfield Oil Co.

RECOMMENDED MOTION: I make a motion to authorize the City Manager to enter into a Transportation Fuel Purchase Agreement with Mansfield Oil Company.

BACKGROUND/ADDITIONAL INFORMATION: Agreement attached
TRANSPORTATION FUEL PURCHASE AGREEMENT

FOR TASB ENERGY COOPERATIVE MEMBER PURCHASERS
FIXED-RATE TRANSPORTATION FUEL PROGRAM

PLEASE RETURN ACCEPTANCE BY FAX TO SELLER AT:

SELLER’S NAME: MANSFIELD OIL COMPANY
SELLER’S ADDRESS: 1025 AIRPORT PKWY GAINESVILLE, GA 30501
SELLER’S TELEPHONE: 678.450.2000
SELLER’S EMAIL: rtons@mansfieldoil.com

COOPERATIVE MEMBER PURCHASER’S NAME: CITY OF PAMPA, TX
PURCHASER’S ADDRESS: 200 W FOSTER PAMPA, TX 79065
PURCHASER’S TELEPHONE: 806.669.5750
PURCHASER’S EMAIL: TDANIELS@CITYOFPAMPA.ORG

Subject to the terms and conditions contained in this Transportation Fuel Purchase Agreement (“Agreement”), Purchaser agrees to purchase, and Seller agrees to sell, the following product(s) at the price and in the quantities as set forth in this Agreement. Seller and Purchaser may be referred to individually as a “Party” and collectively as “Parties” herein.

I. PRODUCTS AND PRICING

1. PRODUCT(S): _______ UNLEADED GASOLINE/ ULTRA LOW SULFUR DIESEL

2. PRICE PER GALLON: UL $2.5816 / ULSD $2.7985 (“Contract Price”)

3. VOLUME(S): _______ 56000 GAL UL/ 49000 GAL ULSD (“Contract Volume”)

4. DELIVERY PERIOD: JUL 23 through AUG 24 (“Delivery Period”)

5. DELIVERY ADDRESS: 744 MUNICIPAL DR, PAMPA, TX 79065

6. CONTRACT TERM: This Agreement begins on the date it has been executed by both Parties and, unless terminated earlier as provided for herein, ends on the 90th day after the date of the last delivery.

7. OTHER PRODUCT AND PRICING INFORMATION:

   RACK: ☑ Yes ☐ No   DELIVERED: ☑ Yes ☐ No   F.O.B.: Insert F.O.B address

   GALLONS: ☑ Net ☒ Gross   DELIVERY FEES: ☑ Included ☒ Excluded

   TAXES: Excluded   SUPERFUND: N/A   ENVIRONMENTAL FEES: Excluded

Prices exclude all taxes and fees. Subject to Article II, Section 16, Purchaser is responsible for all applicable taxes and fees and Purchaser will be billed for all taxes and fees as a separate line item. Seller will not be responsible for any taxes or fees associated with any changes or modification in Purchaser’s tax status or tax rates. Purchaser acknowledges that taxes and fees are subject to change from time to time without notice and, subject to Article II, Section 16, Purchaser shall be responsible for all taxes and fees including, without limitation, superfund fees, whether existing at the time of execution of this Agreement or subsequently imposed.

V.09.01.2021

Purchaser’s Initials ________

Seller’s Initials ________
8. FREIGHT IF BILLED SEPARATELY:

Purchaser will be billed at Seller’s freight cost without markup. Freight rates are based on full transport loads of 7500 gallons for diesel fuel and 8500 gallons for gasoline. Prices per gallon will be adjusted as appropriate in cases where transport loads are less than the minimum gallon loads identified in this paragraph. In these cases, Purchaser will be billed the adjusted freight rate per gallon times the number of gross gallons received.

Seller shall use commercially reasonable efforts to minimize delivery costs. If freight rates have increased by 25 percent or more since Purchaser’s most recent delivery, Seller shall notify Purchaser in advance and receive written confirmation from Purchaser to proceed prior to scheduling delivery and incurring costs. Purchaser shall not be responsible for freight rates in excess of 125 percent of the rate for Purchaser’s most recent scheduled delivery unless Purchaser authorizes Seller to proceed with delivery in accordance with this Section.

9. PURCHASER’S CREDIT TERMS: All payments shall be made in United States dollars.

ARTICLE II: ADDITIONAL TERMS AND CONDITIONS OF SALE

1. RATABLE USAGE.

a. During the Delivery Period of this Agreement, Purchaser shall use commercially reasonable efforts to lift each Product at each delivery point in accordance with the Ratable Schedule (“Schedule”) which is attached to this Agreement as Exhibit A and made a part of this Agreement for all purposes. Should Purchaser fail to lift the total number of gallons indicated for a particular month, Purchaser may make up the shortage at any time, without penalty, prior to the end of the Delivery Period. Subject to force majeure or early termination as provided in this Agreement, Purchaser shall purchase the Contract Volume and lift such total number of gallons by the end of the Delivery Period.

b. If Purchaser purchases more gallons during the Delivery Period than the Contract Volume, the additional gallons will be priced at a rate negotiated prior to delivery.

2A. SCHEDULED DELIVERIES. Purchaser shall notify Seller of the date on which a delivery is to be made and the number of gallons to be delivered (each a “Scheduled Delivery”). Seller shall immediately notify Purchaser if Seller is or will be unable to deliver the Product in accordance with Schedule or to make a Scheduled Delivery. Each Scheduled Delivery shall be credited against the Contract Volume.

a. Scheduled Deliveries Not Taken by Purchaser: In the event Purchaser fails to take a Scheduled Delivery of any portion of the Product during the Delivery Period, through no fault of Seller, and does not take delivery within five (5) days of the scheduled date, the Parties shall reconcile for the undelivered quantities as follows:

   (i) If the then current market price is less than the Contract Price, Purchaser shall pay Seller the positive amount resulting from the Contract Price minus the then current market price for the Product (i.e. the loss to Seller per gallon) multiplied by the number of gallons of Product scheduled but not delivered.

   (ii) If the then current market price is greater than the Contract Price, Seller shall pay to Purchaser the positive amount resulting from the then current market price for the Product minus the Contract Price (i.e. the gain to Seller per gallon) multiplied by the number of gallons of Product scheduled but not delivered.

b. Scheduled Deliveries Not Completed by Seller. If Seller fails to make a Scheduled Delivery of any portion of the Product to Purchaser during the Delivery Period, through no fault of Purchaser, and does not make delivery within five (5) days of the scheduled date, Seller agrees to pay Purchaser the positive amount, if any, resulting from the then current market price for the Product minus the Contract Price (i.e. the gain, if any, to Seller per gallon) multiplied by the undelivered quantity of Product.
2B. ACCOUNT RECONCILIATION.

a. Notice of Remaining Contract Volume Prior to End of Delivery Period. 90 days prior to the end of the Delivery Period, Seller shall provide Purchaser with an account reconciliation showing the number of gallons remaining under the Contract Volume that Purchaser has not lifted or Seller has not delivered.

b. Account Reconciliation at End of Delivery Period. No later than 60 days after the date of the last delivery under this Agreement, Seller shall provide Purchaser with an account reconciliation showing the number of gallons under the Contract Volume that Purchaser has not lifted or Seller has not delivered, if any, that have not been accounted for as set forth in Article II, Section 2A.

c. If, at the end of the Delivery Period, Purchaser has not lifted the full Contract Volume and performance was not otherwise excused by a provision of this Agreement or other written agreement of the parties, Seller shall bill or pay Purchaser for any unused or undelivered gallons of the Contract Volume as follows:

i. If the Contract Price exceeds the market price on the fifth day following the end of the Delivery Period, Seller shall invoice Purchaser for the positive difference between the Contract Price and such market price (i.e. the loss to Seller per gallon) multiplied by the number of Contract Volume gallons required, but not scheduled, by Purchaser during the Delivery Period. Invoices under this Section shall be paid in accordance with Article II, Section 3.

ii. If the market price per gallon on the fifth day following the end of the Delivery Period exceeds the Contract Price, Seller shall, within 30 days, pay Purchaser the positive difference between such market price and the Contract Price (i.e. the gain to Seller per gallon) multiplied by the number of gallons required, but not scheduled, by Purchaser during the Delivery Period.

d. Documentation. Upon request, Seller shall provide Purchaser documentation supporting the calculation of any amounts to be credited or paid under Article II, Section 2A or Section 2B.

3. PAYMENT TERMS. All invoices are payable 45 days from date of delivery of the Product. Payment may be made by check, warrant or electronically using a method agreed to by the Parties. All undisputed amounts not paid by the 46th day after the date of delivery of the Product shall bear interest at the rate provided for in Section 2251.025 of the Texas Government Code, or successor statute. If Purchaser disputes an invoice, it shall notify Seller of the dispute not later than the 21st day after receipt of the invoice and provide Seller with an explanation of the dispute. Upon resolution of the dispute, any amount subsequently found to be owed to Seller shall be paid by Purchaser in accordance with Texas Government Code Chapter 2251.

4. DEFAULT AND REMEDIES.

a. Event of Default and Termination. For purposes of this Agreement, a default by a Party includes (i) the making of any materially false or inaccurate representation in this Agreement which the Party does not cure after at least ten business days written notice; (ii) the failure to materially observe or comply with any provision or covenant in this Agreement which the Party does not cure after at least ten business days written notice; or (iii) a repeated failure (defined as at least two times) to make or accept a Scheduled Delivery of the Product unless otherwise agreed to by the Parties in writing or unless otherwise excused by a provision of this Agreement. In the event of a Party’s default, the non-defaulting Party may terminate this Agreement by providing at least ten days written notice of its intent to terminate and may seek all legal and equitable remedies permitted by law. The non-defaulting Party may also seek actual, reasonable attorneys’ fees, costs and expenses incurred in connection with the other Party’s default.

b. Suspension for Nonpayment. In addition, in the event any undisputed invoice is not paid when due, Seller, at its option, may suspend or condition further delivery of the Product, provided that Seller gives Purchaser written notice advising that Seller has not received payment and intends to suspend or condition further delivery as a result of such nonpayment, and Purchaser fails to pay the amount due on or before the 10th day after such notice is given.
c. **Mitigation of Damages and Setoff.** Each Party shall have the obligation to take commercially reasonable action to mitigate its damages. Upon the occurrence of any default, the non-defaulting Party may set off against the indebtedness any amounts owing by the non-defaulting Party to the defaulting Party, whether or not those amounts are immediately payable.

d. Upon an event of default by Purchaser, Seller shall have the right to require Purchaser to make available any unpaid Product, the right to take possession of such Product, and the right to sell and dispose of such Product.

e. The Parties agree that neither the TASB Energy Cooperative nor its administrator, the Texas Association of School Boards, Inc., shall in any way be liable to either Party for a Party’s default, performance or nonperformance under this Agreement.

5. **SELECTION OF PRODUCTS.** Determination of the suitability of any Product for the contemplated use is the sole responsibility of Purchaser and no liability shall be imposed upon Seller in connection therewith.

6. **RISK OF LOSS AND TITLE.** Risk of loss and title to products shall remain with Seller until Purchaser receives physical possession of the Product.

7. **WARRANTIES.** Seller warrants that the Product delivered to Purchaser will conform to the description on the first page of this Agreement (and related specifications).

8. **ENERGY COOPERATIVE ADMINISTRATIVE FEE INCLUDED:** The Contract Price includes the administrative fee provided for under the TASB Energy Cooperative (“Cooperative”) contract award to Seller, which fee is based on the total number of gallons of Fuel purchased by Purchaser under this Purchase Agreement and calculated as five cents ($0.05) per gallon for the first 500,000 gallons delivered to Purchaser under this Agreement; two cents ($0.02) per gallon for gallons 500,001 through 1,000,000 delivered to Purchaser under this Agreement; and one-half cent ($0.005) per gallon for gallons 1,000,000 and above delivered to Purchaser under this Agreement. The administrative fee shall be paid by Seller to the Cooperative in accordance with the terms set forth in that certain contract between the Cooperative and Seller in effect at the time of this Agreement. In no event shall the administrative fee be included in the calculation or collection of any liquidated damages amount charged to Purchaser under Article I, Section 2A or 2B. In the event the contract between the Cooperative and Seller requires Seller to cease collection of all or part of the administrative fee, Seller shall in turn cease collection of such administrative fee from Purchaser and reduce the Contract Price by the amount of the administrative fee no longer being collected.

9. **LIMITATION OF LIABILITY. UNLESS AN EXPRESS REMEDY IS PROVIDED IN THIS AGREEMENT, THE LIABILITY OF EACH PARTY TO THE OTHER PARTY IS LIMITED TO DIRECT ACTUAL DAMAGES.** Further, to the extent permitted by law, neither Party shall be liable to the other Party for damages, whether arising from performance of obligations under this Agreement, tort (including negligence), or otherwise for loss of anticipated profits, loss by reasons of plant shutdown, non-operation or increased expense of operation, service interruption, claims of customers, cost of money, loss of use of capital or revenue, or for any special, incidental, or consequential loss or damage.

10. **DEFECTS.** Purchaser shall, within 30 days after delivery of the Product, notify Seller of any alleged defect in the Product, or the failure of the Product to conform to any specifications. If, following such Notice, Seller and Purchaser agree that there exists such a defect or failure to conform due to the fault of Seller, the Parties shall attempt to negotiate a resolution. If unable to come to a resolution, (i) the defective Product shall be returned, at Seller’s expense, to Seller, properly safeguarded against normal transit hazards as Seller may require, for replacement by Seller, or (ii) Purchaser and Seller shall negotiate an agreed amount to be deducted from the Contract Price, the payment of which shall operate as a full release of Seller. Purchaser’s failure to notify Seller of any such claimed defect or failure to conform within the thirty-day period shall constitute Purchaser’s complete waiver of any such claim with respect to defects or nonconformance, and Purchaser’s release and covenant not to sue Seller with respect to such claim.
11. **AUTHORITY.** No agent, employee, or representative of Seller or Purchaser has any authority to bind either Party to any affirmation, representation, or warranty concerning the Product or this Agreement unless an affirmation, representation, or warranty made by an agent, employee, or representative is specifically included in writing in these terms and conditions or as an amendment thereto.

12. **NOTICE.** Any notice, designation, consent, delivery, approval, offer, acceptance, statement, request, or other communication required or allowed under this Agreement (“Notice” or in the verb form “Notify”) shall be in writing. Any action required under this Agreement that is a term within the definition of “Notice” also shall be in writing. All notices required in this Agreement shall be deemed effective if made in writing and delivered to the recipient’s address listed on the first page of this Agreement by any of the following means: (i) hand delivery, (ii) registered or certified mail, postage prepaid, with return receipt requested, (iii) first class or express mail, postage prepaid, or (iv) overnight courier service. Notice made in accordance with this paragraph shall be deemed delivered upon receipt if delivered by hand, on the third business day after mailing if mailed by first class, registered, or certified mail, or on the next business day after mailing or deposit with an overnight courier service if delivered by express mail or overnight courier. Refusal by a party to accept a Notice shall not affect the giving of the Notice.

13. **INTERPRETATION, MODIFICATION AND ADDITIONAL TERMS.** Seller and Purchaser, as a final expression of their agreement and also as a complete and exclusive statement of the terms of their agreement, intend the terms and conditions contained in this Agreement. Acceptance or acquiescence in a course of performance rendered shall not be relevant to determine the meaning of these terms and conditions, even though the accepting or acquiescing Party has knowledge of the nature of the performance and opportunity for objection. These terms and conditions can be modified or rescinded only by a writing signed by duly authorized agents of both Seller and Purchaser. Notwithstanding any provisions therein to the contrary, any terms and conditions in a Party’s purchase order, acknowledgement form, confirmation, or other document issued by a Party which conflict with these terms and conditions or increase either Party’s obligations hereunder, are rejected and shall not be binding upon the Parties unless specifically identified and accepted in writing by a duly authorized agent of both Parties.

14. **DELEGATIONS AND ASSIGNMENT.** No delegation of any obligation owed by a Party, or of the performance of any obligation by a Party, shall be made without the written consent of the other Party. A Party may not assign its rights and obligations under this Agreement without the other Party’s written consent, which shall not be unreasonably withheld. Any delegation or assignment without the other Party’s written consent is void.

15. **WAIVER.** No claim or right arising out of a breach of this Agreement can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved Party.

16. **TAXES.** Purchaser represents that it is a local governmental entity that is exempt from sales, excise, and usage taxes. Purchaser shall pay all federal, state, or local taxes or charges relating to the sale, delivery, or use of the Product from which it is not exempt. Purchaser shall be responsible for all taxes whether existing at the time of execution of this Agreement or subsequently imposed.

17. **APPLICABLE LAW AND VENUE.** This Agreement and the relationship between the Parties shall be governed in all respects, whether as to validity, construction, capacity, performance, or otherwise, by the laws of the state of Texas. The Parties stipulate and agree that exclusive jurisdiction and venue for any cause of action arising between the Parties shall be in the state or Federal courts having subject matter jurisdiction and located in the county in which Purchaser’s main administration facility is located.

18. **RESPONSIBILITY TO WARN AND REPORT.** At and after title passes to Purchaser, Purchaser assumes all responsibility for warning Purchaser’s personnel and any third parties on the premises of all hazards to persons and property. Purchaser also assumes the responsibility to warn and protect Purchaser’s employees and others exposed to the hazards posed by Purchaser’s storage and use of the Product. It is the responsibility of both Parties to comply with all relevant reporting obligations under the Emergency Planning and Community Right to Know Act of 1986, 42 U.S.C. §§ 11001 et seq. (EPCRA, also known as Title III of the Superfund Amendments and Reauthorization Act of 1986 (SARA Title III)) resulting from the presence of the chemicals supplied under this Agreement.

V.09.01.2021

Purchaser’s Initials ________

Seller’s Initials ________
19. **FORCE MAJEURE.** If, by reason of act of God, flood, storm, explosion, fire, labor trouble, strike, insurrection, riot, acts of the public enemy, pandemic or epidemic, or federal, state or local law, order, rule, or regulation affecting all similarly situated companies or entities, either Party ("Claiming Party"), without negligence and upon exercise of due diligence, is prevented from complying with any obligation, covenant, or condition in this Agreement, including but not limited to ability to accept delivery of Products, then, while so prevented, the condition shall be suspended or the obligation or covenant shall be extended, the Claiming Party shall be relieved of the obligation to comply with such obligation or covenant, and the Claiming Party shall not be liable for damages, including charges pursuant to Article II, Sections 2A or 2B, for failure to so comply.

20. **MISCELLANEOUS.**

a. **Binding Agreement.** Subject to Article II, Section 14, this Agreement shall bind and inure to the benefit of the parties and their respective legal representatives, heirs, successors, and assigns.

b. **Invalid Provision/Severability.** The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions of it. This Agreement shall be construed in all respects as if such invalid or unenforceable provision was omitted.

c. **Amendments.** No amendments, modifications, alterations, or additions to this Agreement shall be binding unless made in writing and signed by the Parties.

d. **Attorneys’ Fees.** In the event of any litigation regarding the construction, enforcement, or validity of this Agreement, in addition to any other relief, the prevailing Party shall be entitled to recover its reasonable costs incurred, including attorneys’ fees.

e. **Rule of Construction.** The judicial rule of construction requiring or allowing a document to be construed to the detriment or against the interests of the document’s maker or drafter shall not apply to this Agreement.

f. **Headings.** The section headings in this Agreement are included solely for convenience and shall in no event affect or be used in connection with the interpretation of this Agreement.

g. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original, but together the counterparts shall constitute one and the same document.

h. **Entire Agreement.** This Agreement constitutes the entire agreement of the Parties, all prior negotiations and agreements, whether written or oral, having been merged into this Agreement.

i. **Time of Essence.** Time is of the essence in this Agreement. The Parties shall have the right to treat all time deadlines contained in this Agreement as material and to terminate this Agreement or exercise such other remedies as may be provided in this Agreement in the event such time deadlines are not met.

j. **Computation of Time.** In computing a time period prescribed in this Agreement, the day of the act or event shall not be counted. Unless the Agreement specifies business days, all subsequent days, including intervening weekend days and holidays, shall be counted in the period. The last day of the period so computed is to be included unless it is a weekend day or a legal holiday under federal law, in which case the period is to be extended to the next day that is not a weekend day or legal holiday. When the Agreement specifies business days, the computation of a time period shall exclude all weekends and holidays under federal law or the state law of the state in which Purchaser’s main administrative office is located. Further, for obligations of Purchaser, days on which Purchaser’s main administrative office is closed shall not be counted as a business day.

k. **Authority to Sign.** Each person signing this Agreement in a representative capacity on behalf of a Party warrants and represents to each other Party that (i) the person signing has the actual authority and power to so sign, and to bind his principal to the provisions of this Agreement, and (ii) all entity action necessary for the making of this Agreement has been duly taken. Either Party represents and warrants to the other Party that it has complied with all rules, regulations and laws relating to its authority to execute and perform the obligations under this Agreement.
1. **Signatures.** The Parties agree that they may transmit this Agreement for execution by electronic transmission. The Parties intend that electronic signatures on this Agreement shall be deemed an original and be binding on them.

m. **Non-Appropriation.** Seller acknowledges that Purchaser is a governmental entity and that Purchaser’s ability to perform its obligations under this Agreement is dependent upon the appropriation of public funds. The Parties agree that if the Delivery Period extends beyond Purchaser’s then current fiscal year into another fiscal year(s) and (i) Purchaser does not have an authorized multi-year funding source or (ii) otherwise has no legally available funds for the purchase of the Product, then this Agreement will terminate. Purchaser shall not be obligated to make contract payments beyond the amounts appropriated. However, if any funds are appropriated for Product costs, such funds shall be applied first to the cost of Product to be provided pursuant to this Agreement and any such funds shall not be used to pay for Product from any other vendor. Purchaser agrees to notify Seller in writing of such non-appropriation at the earliest practicable time subsequent to the failure to appropriate. As of the termination date under this Section, Seller shall have no further duty to supply Product to Purchaser.

n. **Support.** Seller shall maintain a telephone contact for customer service support for Purchaser. Purchaser may call the number listed on the last page of this Agreement for customer support, and Seller shall notify Purchaser of any new customer support telephone number.

o. **Survival.** Expiration of this Agreement or termination by either party shall not affect the rights and obligations of the Parties that accrued prior to expiration or the effective date of the termination. Payment obligations and any other provisions, which by their terms or their nature are intended to survive, shall survive the expiration or termination of this Agreement.

WHEREFORE, the Parties have caused this Agreement to be duly executed, and each of the undersigned below represent that they have been duly authorized to execute this Agreement by all necessary action and further affirm the representations and warranties as stated in Article II, Section 19.k of this Agreement as applicable to the Party.

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**Purchaser**

By (Name/Title – please print)

Authorized Signature
(Signer authorized to bind Purchaser to this Agreement)

Date

**Seller**

Account Executive’s Signature

Approved by Corporate Officer

Date

Customer Support Phone #: ___________