

**CONTRACT**  
**between**  
**CITY OF GAHANNA**  
**and**  
**SANTMYER COMMERCIAL FUELING NETWORK (SCFN)**

This contract made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the City of Gahanna, Ohio, hereafter known as “The City,” and Santmyer Commercial Fueling Network hereafter known as “SCFN,” as authorized by Gahanna City ordinance \_\_\_\_\_ for the operation and maintenance of the unattended fuel facility located at the City of Gahanna Fleet Management site, 781 Science Boulevard, Gahanna, Ohio.

The City and SCFN hereby agree to the following.

**Article 1.** The City agrees to:

- a) Support sales efforts;
- b) Aid in promoting the location;
- c) Pay any property taxes;
- d) Be responsible for snow removal;
- e) Perform an audit of SCFN’s records annually. No notice of intent to audit shall be required. Only records pertaining to the City’s facility may be required for the audit.
- f) Pay all property insurance;
- g) Pay and be responsible for registration, insurance, and testing fees associated with owning underground tanks.

**Article 2.** SCFN agrees to:

- a) Operate the site in a professional and business like manner;
- b) Be responsible for the maintenance of the facility i.e., normal wear and tear;
  - 1. The following types of issues shall be addressed and repairs initiated by SCFN, or their representative, within 24 hours of SCFN being notified of the issue: Minor spills; hose repair; nozzle repair; pump repairs; and/or system resets.
  - 2. When a complete system is down (either gasoline or diesel), SCFN shall have a representative on-site, starting repairs, within four hours of being notified of the problem.
- c) Maintain the cleanliness of the location;
- d) Be responsible for the costs associated with the operation of the facility;
- e) Be responsible for paying the liability insurance, listing The City as additionally insured and supplying The City with a certificate of said insurance;
- f) Provide a trash dumpster and pay the cost of disposal;
- g) Carry all receivables associated with sales made at the facility;
- h) Provide the City with a monthly sales summary for all gallons sold through the facility. Information included in the summary shall be sales by fuel type, customer

and/or card type. The calculations that are used to determine the City's commission check shall be included with the sales summary.

- i) Make any records pertaining to the City's facility open to audit by a duly authorized agent of the City. These records shall include, but not be limited to sales, product cost, and operating expenses;
- j) Invoice the City and its customers monthly;
- k) Be responsible for issuing and replacing the cards necessary to access the system.
- l) Provide sales efforts.
- m) Promote the location.

### **Article 3. Product**

SCFN shall always purchase product at the least expensive price, while still maintaining the product quality required by both The City and SCFN.

### **Article 4. City Accounts**

The City accounts will purchase the fuel they receive from the Gahanna SCFN site according to the following formula: SCFN's rack price plus a 4.0 cent markup to cover labor, additives and site maintenance plus SOCI Petroleum's applicable freight rate (per attached rate table) to transport the product from the rack to the Gahanna SCFN site. SOCI Petroleum will notify the City, in writing, before implementing any rate increase.

### **Article 5. Commission**

- a) SCFN shall pay the City a commission of 4.75 cents on all gallons that are sold at the Gahanna SCFN site. SCFN shall pay the commission to the City by the 15th of each month, for the previous month.
- b) Along with the monthly commission reconciliation spreadsheet, SCFN will provide the City with copies of the invoices from the rack in which all deliveries were made to the Gahanna SCFN site.

### **Article 6. Term**

- a) The term of this contract shall be from the date of the Gahanna ordinance granting approval of this contract, through December 2009.
- b) Annual reviews of the pricing structures shall be completed. Adjustments to the pricing structure may be made with mutual written agreement of both parties.
- c) Either party may cancel this agreement with a six month written notice.

**CITY OF GAHANNA**

By: \_\_\_\_\_  
Rebecca W. Stinchcomb  
Title: Mayor

By: \_\_\_\_\_  
Terrance A. Emery  
Title: Director of Public Service

Approved as to Form:

By: \_\_\_\_\_  
Thomas L. Weber  
Title: City Attorney

**SANTMYER COMMERCIAL FUELING NETWORK**

By: \_\_\_\_\_  
Title: President