

AGREEMENT FOR PURCHASE AND SALE OF GOODS

Bid/Proposal No. 019-13

Clerk Tracking No. 13-00075

Project Name Purchase of Gasoline and Diesel Fuels

THIS AGREEMENT FOR PURCHASE AND SALE OF GOODS (the "Agreement") is made this 18th day of September, 2013, by and between **Palmdale Oil Company Incorporated**, whose address is **911 North 2nd Street; Fort Pierce, Florida 34950** ("Seller") and THE CITY OF NAPLES, a Florida municipal corporation, the address of which is 735 Eighth Street South, Naples, Florida 34102 ("Buyer"). In consideration of the mutual covenants and agreements hereinafter set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, Buyer and Seller agree as follows:

1. **Description of Goods; Sale and Delivery.** Seller shall sell, transfer, and deliver to Buyer the goods as indicated in **(ITB) Invitation to Bid No. 019-13** attached hereto and made a part of this Agreement as **EXHIBIT A** subject to such terms as are set forth in said ITB and in this **Agreement**.
2. **Acceptance; Purchase.** Buyer shall order fuels based off of price and availability and accept the goods and pay as annually appropriated for each City of Naples' using Department for the goods in accordance with the terms of this Agreement and ITB.
3. **Identification of Goods.** Identification of the goods shall not be deemed to have been made until both Buyer and Seller have agreed that the goods in question are to be appropriate to the performance of this Agreement.
4. **Rate and Time of Payment.** Unless otherwise specified, Buyer shall make payment to Seller for the goods within 30 days after the goods are received by Buyer.
5. **Receipt of Goods.** The goods shall be deemed received by Buyer when delivered to Buyer at locations and delivery times designated within the ITB that are City of Naples, Florida facilities.
6. **Risk of Loss.** The risk of loss from any casualty to the goods, regardless of the cause, shall be on Seller up to the time of receipt of the goods by Buyer at the place of delivery, but only after any proper inspection has been completed without rejection of the goods. Thereafter, such risk shall be on Buyer, including any goods thereafter returned to Seller until their receipt by Seller.
7. **Warranty Against Encumbrances.** Seller warrants that the goods are now free, and at the time of delivery shall be free, from any security interest or other lien or encumbrance.
8. **Warranty of Title.** Seller warrants that at the time of signing this Agreement, Seller neither knows, nor has reason to know, of the existence of any outstanding title or claim of title hostile to the rights of Seller in the goods.

9. **Product Warranty.** Seller provides general warranties of fitness and general warranties that the goods are free from defects, for 1 year from acceptance of the goods, except as may otherwise be set forth in the Description/Bid, or other attached warranty.

10. **Right of Inspection.** Buyer shall have the right to inspect the goods at the time and place of delivery, and within 5 business days after delivery, Buyer must give notice to Seller of any claim for damages on account of the condition, quality, or grade of the goods, and Buyer must specify in detail the basis of such claim. The failure of Buyer to comply with these conditions shall constitute irrevocable acceptance of the goods by Buyer.

11. **Procedure as to Rejected Goods.** On receipt of notification of rejection, Seller will immediately arrange to receive back the goods for shipment and return. However, within 5 days, Seller may have an agent inspect such goods for nonconformity; otherwise, such inspection will be made on return to Seller's storage facility. When such goods are confirmed or acquiesced in as nonconforming, Seller will ship conforming goods within 30 days of the notice of rejection unless Buyer earlier notifies Seller to forgo such shipment.

12. **Governing Law.** The parties acknowledge that the transaction that is the subject matter of this Agreement bears a reasonable relation to the State of Florida and agree that the law of the State of Florida will govern their rights and duties. The parties specifically intend that the provisions of Article 2 of the Florida Uniform Commercial Code will control as to all aspects of this Agreement and its interpretation, and that all the definitions contained therein will be applicable to this Agreement except where this Agreement may expressly provide otherwise.

13. **Bid Documents.** The terms and conditions of the **(ITB) Invitation to Bid No. 019-13, Exhibit A** attached hereto and made a part hereof shall be incorporated herein as a part of this Agreement.

14. **Notices and Address of Record.** All notices required or made pursuant to this Agreement to be given by Seller to Buyer shall be in writing and shall be delivered by overnight courier, by hand or by United States Postal Service Department, first class mail service, postage prepaid, return receipt requested, addressed to the following:

To Buyer:
City of Naples
735 Eighth Street South
Naples, Florida 34102-3796
Attention: **A. William Moss**, City Manager

All notices required or made pursuant to this Agreement to be given by Buyer to Seller shall be made in writing and shall be delivered by overnight courier, by hand or by the United States Postal Service Department, first class mail service, postage prepaid, return receipt requested, addressed to the following:

To Seller:
Palmdale Oil Company, Incorporated
911 North 2nd Street
Fort Pierce, Florida 34950
Attention: **Lachlan Cheatham**, President
FEI/EIN Number: 59-2358666

Either party may change its address of record by written notice to the other party given in accordance with requirements of this Article.

15. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon and all of which shall together constitute one and the same instrument.

16. **Effective Date.** This two-year Agreement shall commence on October 1, 2013 through September 30, 2015 with the City's option for three (3) additional one-year (1) renewals.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day first written above.

ATTEST:

SELLER:

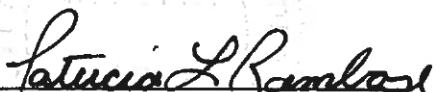
Palmdale Oil Company, Incorporated
911 North 2nd Street
Fort Pierce, Florida 34950
Attention: **Lachlan Cheatham**, President
FEI/EIN Number: 59-2358666

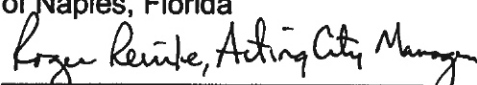
Marie McClellan
(Print Name: MARIE MCCLELLAN)

By:  (Corporate Seal)
Authorized Representative

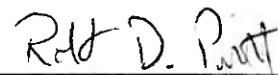
ATTEST:

BUYER:

By: 
Patricia L. Rambosk, City Clerk

City of Naples, Florida
By: 
For: A. William Moss, City Manager

Approved as to form and legal sufficiency:

By: 
Robert D. Pritt, City Attorney