

ATTACHMENT A

A RESOLUTION APPROVING THE RENEWAL OF AN AGREEMENT WITH PIEDMONT BIO-FUELS Resolution No. 08/2006-07

WHEREAS, Piedmont Bio-Fuels proposes to renew an agreement with the Town of Carrboro to provide B100 fuel to the Town of Carrboro and Cooperative Fuel Members; and

WHEREAS, under the proposed agreement Piedmont Bio-Fuels provides, maintains and operates a facility for the distribution of B100 fuel at the Public Works facility located at 100 Public Works Drive.

NOW, THEREFORE, THE BOARD OF ALDERMEN OF THE TOWN OF CARRBORO RESOLVES:

Section 1. The Board of Aldermen hereby authorizes the renewal of the agreement with Piedmont Bio-Fuels for B100 Fuel.

Section 2. This resolution shall become effective upon adoption.

AGREEMENT

This agreement is entered into by Piedmont Biofuels, A North Carolina corporation, Inc P.O. Box 661, Pittsboro NC 27312 and the Town of Carrboro, a North Carolina municipal corporation, 301 West Main Street, Carrboro, NC 27510 based on the following factors:

Whereas; the Carrboro Board of Aldermen seeks to ensure that its existing and proposed policies and regulations are conducive to employing alternative fuel options and overall increased energy efficiency; and

Whereas; Piedmont Biofuels is a producer of alternative fuels and seeks a temporary location to install a tank for distribution of a biodiesel product commonly known as B100; and

Whereas; the Town of Carrboro has a site at its' Public Works facility, 100 Public Works Drive, which is conducive to the distribution of this product, and

Whereas, the Town is willing to grant the use of this site to Piedmont Biofuels under certain terms and conditions;

Accordingly, based on the following premises and for other good and valuable consideration the receipt and sufficiency of which are acknowledged by the parties, the parties agree to the following:

1. Piedmont Biofuels has placed and presently maintains a 500 gallon, double walled fuel tank, pump, and associated piping at the location shown on the attached drawing (Exhibit A).
2. Piedmont Biofuels will continue to be responsible for all costs associated with the installation, maintenance, and operation for the project.
3. Piedmont Biofuels will comply with all city, state, and federal regulations that apply to this type of operation (including OSHA regulations) and will obtain all necessary permits for the installation.
4. The term of this agreement is for a period of one year from the date hereof.
5. The agreement shall automatically be renewed for a successive one-year period unless the Town or Piedmont Biofuels gives written notice of non-renewal to the other at least 60 days prior to expiration date.
6. Piedmont Biofuels shall monitor and maintain the site. Piedmont Biofuels shall also maintain the tank and all associated equipment. The tank, spill containment, and associated equipment shall be kept in safe and good working order at all times.
7. Piedmont Biofuels will be responsible for the clean-up of any spills or leaks associated with the site and must have a clean-up plan in place, satisfactory to the Town, as part of

this agreement. Clean-up will include the proper removal and disposal of any fuel product. This includes the removal and disposal of any fuel or water which may be in the containment area.

8. Piedmont Biofuels shall remove all equipment and material from the site within 30 days from the expiration or termination of this agreement and restore the site to its original condition to the satisfaction of the Public Works Director.
9. The fuel tank will be available to co-op members during normal Public Works hours, 8:00 am to 4:00 pm, Monday thru Friday, except on Holidays. Piedmont Biofuels shall provide and post signs, to the satisfaction of the Public Works Director, noting the hours of operation, and that Piedmont Biofuels is responsible for the operation of the facility.
10. The tank will be available to the Town of Carrboro for using B100 in various Town owned vehicles and equipment. The Town will be charged at a rate of *_\$3.01. Gallons will be determined by a meter installed with the pump. Piedmont Biofuels is responsible for insuring the meter is properly calibrated.
11. Piedmont Biofuels is responsible for tracking the amount of all fuel dispensed to co-op customers and the Town. The Town will be invoiced monthly for the fuel it pumps.
12. If, during the term of this agreement, the Public Works Director determines that the conditions of this agreement are not being met, or conditions have changed such that the fuel tank, in the Public Works Director's sole discretion, must be removed or relocated, the Town of Carrboro will notify Piedmont Biofuels in writing of such determination and shall direct that the tank either be relocated or removed within 30 days of notification.
13. Piedmont Biofuels, hereby covenants to indemnify, defend (including attorney fees) and save the Town of Carrboro harmless from any costs or expenses incurred by the Town, or claims for damages against the Town, arising out of the location of the tank authorized herein, or the dispensing of any fuel by any person from this tank or the use of such fuel, or any failure of the tank to function properly, or as the result of any other activity related in any manner to the use of this location by Piedmont Biofuels in the distribution of any product or service.

Piedmont Biofuels further agrees to furnish to the Town of Carrboro a certificate of General Liability and Auto Liability Insurance with limits not less than \$1,000,000 showing the Town of Carrboro as an additional insured and further agrees to keep said insurance in force until the expiration of this contract.

14. Piedmont Biofuels agrees to have all co-op customers sign a waiver of liability on a form provided by the Town of Carrboro. No co-op member shall be permitted or allowed to dispense or pump fuel from the tank at the site unless such member shall have signed the waiver of liability form.

Date: _____

PIEDMONT BIOFUELS

BY _____

TOWN OF CARRBORO

BY _____
Steven E. Stewart

ATTEST:

Town Clerk

Approved as to form:

Town Attorney

This instrument has been pre-audited in the
Manner required by the Local Government
Budget and Fiscal Control Act.

Finance Director

