



Amendment No. 3
to
Contract No. GA150000041
for
Chesterton Grease and Seals
between
A.W. Chesterton Co.
and the
City of Austin

- 1.0 The City hereby exercises this extension option for the subject contract. This extension option will be January 19, 2019 through January 18, 2021. No options will remain.
- 2.0 The total Contract amount is increased by \$130,964.00 for the extension option period. The total Contract authorization is recapped below:

Action	Action Amount	Total Contract Amount
Initial Term: 01/19/2015 – 01/18/2017	\$130,964.00	\$130,964.00
Amendment No. 1: Update and replace Exhibit A 5-3-16 05/06/2016	\$0.00	\$130,964.00
Amendment No. 2: Option 1 – Extension 01/19/2017 – 01/18/2019 Price Decrease (-2.0%) 01/19/2017	\$130,964.00 \$0.00 \$130,964.00	\$261,928.00
Amendment No. 3: Option 2 – Extension 01/19/2019 – 01/18/2021	\$130,964.00	\$392,892.00

- 3.0 MBE/WBE goals do not apply to this contract.
- 4.0 By signing this Amendment, the Contractor certifies that the vendor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the GSA List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.
- 5.0 All other terms and conditions remain the same.

BY THE SIGNATURES affixed below, this amendment is hereby incorporated into and made a part of the above-referenced contract.

Sign/Date: _____

Printed

Name: VANCE ST. JEAN

Authorized Representative

A.W. Chesterton Co.
5805 Genoa Red Bluff Road
Pasadena, Texas 77505
(800) 342-5898
mseitz@chesterton.com

Sign/Date: _____

Matthew Duree, Procurement Manager

City of Austin
Purchasing Office
124 W. 8th Street, Ste. 310
Austin, Texas 78701



Amendment No. 2
to
Contract No. GA150000041
for
Chesterton Grease and Seals
between
A.W. Chesterton Co.
and the
City of Austin

- 1.0 The City hereby exercises this extension option for the subject contract. This extension option will be January 19, 2017 through January 18, 2019. One option will remain.
- 2.0 The City hereby exercises Section 4.2.D, "Economic Price Adjustment" of the contract. A price decrease at the rate of two percent (2.0%). Prices will be adjusted as shown in Table 2.0 below.

Item	Stk #	Description	Unit	Old Price	Multiplier	New Price
1	37023	Chesterton Grease Part *082714	DRUM	\$2,164.00	0.98	\$2,120.72
2	37023	Chesterton Grease Part *082713	TUBE	\$22.45	0.98	\$22.00
3	8155274	Spare Part Kit for Seal	EA	\$3,470.00	0.98	\$3,400.06

- 3.0 The total contract amount is increased by \$130,964.00 by this extension period. The total contract authorization is recapped below:

Action	Action Amount	Total Contract Amount
Initial Term: 01/19/2015 – 01/18/2017	\$130,964.00	\$130,964.00
Amendment No. 1: Update and replace Exhibit A 5-3-16 05/06/2016	\$0.00	\$130,964.00
Amendment No. 2: Option 1 – Extension 01/19/2017 – 01/18/2019 Price Decrease (-2.0%) 01/19/2017	\$130,964.00 \$0.00 \$130,964.00	\$261,928.00

- 4.0 MBE/WBE goals do not apply to this contract.
- 5.0 By signing this Amendment the Contractor certifies that the vendor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the GSA List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.
- 6.0 All other terms and conditions remain the same.

BY THE SIGNATURES affixed below, this amendment is hereby incorporated into and made a part of the above-referenced contract.

Sign/Date:

Mary D Seitz
Jan 12, 2017

Printed Name: MARY D SEITZ
Authorized Representative

A.W. Chesterton Co.
5805 Genoa Red Bluff Road
Pasadena, Texas 77505
(800) 342-5898
mseitz@chesterton.com

Sign/Date:

Linell Goodin-Brown
1-13-17

Linell Goodin-Brown
Contract Compliance Supervisor
City of Austin
Purchasing Office
124 W. 8th Street, Ste. 310
Austin, Texas 78701



**Amendment No. 1
to
Contract No. MA 2200 GA150000041
for
Chesterton Grease and Seals
Between
A.W. Chesterton Company
and the
City of Austin, Texas**

- 1.0 The City hereby amends the referenced contract to update and replace Exhibit A -Product and Pricing Schedule to include Seals repair kits.
- 2.0 The total contract amount is recapped below:

Contract	Contract Amount for the term	Total Contract Amount
Basic Contract: 1/19/15 – 1/18/17	\$130,964	\$130,964
Amendment No. 1: Update and replace Exhibit A 5-3-16	\$0.00	\$130,964

- 3.0 MBE/WBE goals were not established for this contract.
- 4.0 By signing this Amendment the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.
- 5.0 All other terms and conditions remain the same.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated into and made a part of the above-referenced contract.

A. W. Chesteron Company

Signature & Date:

Printed Name: Douglas Wade
Authorized Representative

Signature & Date:

Georgia L. Billela 5/16/16
Georgia L. Billela, Senior Buyer
City of Austin
Purchasing Office

Exhibit A

Product and Pricing Schedule

Chesterton Product	Chesterton Part No.	Unit	Unit Price
630 SXCF Grease	082714	55 kg Drum	\$2,164 each
630 SXCF Grease	082713	400 gram Cartridge	\$22.45 each
Spare part kit for Seal	354331	Each	\$3,470 each



Financial and Administrative Service Department
Purchasing Office
PO Box 1088, Austin, Texas, 78767

January 14, 2015

A.W. Chesterton Company
Attn: Marvin Seitz
3226 East Pasadena Freeway
Pasadena, TX 77504

Attached is a fully executed copy of the contract awarded to your firm to provide for the supply of grease in accordance with your quote and the attached contract.

Responsible Department:	Austin Water Utility
Department Contact Person:	Lydia Torres
Department Contact Email Address:	lydia.torres@austintexas.gov
Department Contact Telephone:	512/972-0329
Project Name:	SXCF Lubricating Grease
Contract Number:	GA150000041
Contract Period:	1/19/15 through 1/18/17
Contract Amount:	\$130,964
Extension Options:	Two 24-Month Extension Options
Extension Amount Per Option:	\$130,964
Requisition Number:	RQM 2200 1400900300
Solicitation Number:	Sole Source Procurement
Council Date:	12/11/14
Agenda Item No.:	69

Thank you for your interest in doing business with the City of Austin. If you have any questions regarding this contract, please contact me at 512/972-4040.

Sincerely,

Stephen T. Aden, Sr.
Corporate Purchasing Manager
Purchasing Office
Finance and Administrative Service Department

cc: Lydia Torres, AWU

SUPPLY AGREEMENT NO. GA150000041

This **SUPPLY AGREEMENT** (the "Agreement") is made this **1st** day of **January, 2015** by and between the **CITY OF AUSTIN** (hereinafter "Buyer"), a Texas municipality with offices at 124 W 8th Street, Austin, Texas and **A.W. CHESTERTON COMPANY** (hereinafter "Seller"), a Massachusetts corporation, having its principal place of business located at 500 Unicorn Park Drive, Woburn, Massachusetts 01801 and a usual place of business at (the "Supplier").

RECITALS

Supplier and Buyer wish to enter into an arrangement for the purchase by Buyer of certain products manufactured and sold by Supplier, subject to the terms and conditions set forth herein.

AGREEMENT

1. Purchase and Sale of Products.

1.1 Products. Seller agrees to sell to Buyer such products set forth in the Product and Pricing Schedule attached hereto as Exhibit A (the "Products") as Buyer may order from time to time, all in accordance with and subject to the terms and conditions set forth in this Agreement.

1.2 Buyer's Reference. Seller shall offer to sell the Products covered under this Agreement for usage by Buyer in connection with the Davis WTP Flocculators.

2. Terms of Sale.

2.1 Pricing. Supplier shall sell the Products to Buyer with pricing based on the pricing provisions specified on the Products and Pricing Schedule set forth in Exhibit A attached hereto.

2.2 Delivery Orders. All purchase orders submitted by Buyer and accepted by Supplier are and shall be subject to this Agreement and shall be deemed to incorporate the terms and conditions of this Agreement, whether or not so specified in such purchase orders. No terms and conditions other than the provisions of this Agreement and any and all documents incorporated herein by reference shall be binding upon the Supplier or Buyer unless expressly accepted in writing.

2.3 Cancellation. The Buyer or the Seller shall have the right to terminate this Agreement, in whole or in part, without cause any time upon thirty (30) calendar days prior written notice. Upon receipt of a notice of termination, the Seller shall promptly cease all further work pursuant to the Agreement, with such exceptions, if any, specified in the notice of termination. The Buyer shall pay the Seller, to the extent of funds appropriated or otherwise legally available for such purpose, for all goods delivered and services performed and obligations incurred prior to the date of termination in accordance with the terms hereof.

2.4 Payment. Buyer agrees to pay amounts invoiced by Supplier within thirty (30) days from the date of invoice without offset or deduction except as specifically provided for herein. Past due balances will be subject to interest at the lesser of the rate specified in Texas Government Code Section 2251.025 or ***the maximum amount allowed by applicable law; except, if payment is not timely made for a reason for which the Buyer may withhold payment hereunder, interest shall not accrue until ten (10) calendar days after the grounds for withholding payment have been resolved.***

2.5 Acceptance/Rejection of Products. Products shall be deemed approved and accepted by Buyer if written notice of rejection is not received by Supplier within ten (10) days after date of delivery. If Buyer rejects a shipment as defective, Buyer shall promptly return a sample of the defective Product to Supplier in accordance with Supplier's instructions, to enable Supplier to inspect and determine whether the Product is defective; provided that Buyer shall retain the remainder of the Products pending such determination. It is Buyer's responsibility to properly store and handle all Products pending inspection and/or return. If rejection was timely effected and Supplier determines the Products to be defective, Supplier agrees, at its option, to repair or replace the Products or cancel an unpaid invoice or refund the amounts paid with respect to such defective Product. Acceptance of goods hereunder shall not constitute a waiver of Buyer's rights or remedies in connection with any Seller warranties set forth in this Agreement.

2.6 Delivery. Delivery shall be made to Buyer at the Buyer Site. Supplier shall select the mode of transportation and routing unless otherwise agreed upon in writing by the parties. Estimates of shipping dates are approximate, representing Supplier's best judgment when made. Supplier shall make all reasonable efforts to meet dates indicated for delivery or other performance, but Supplier shall not be liable for any delays in shipping or in the time in which shipments reach Buyer. Unless notified to the contrary by Buyer, Supplier shall insure the full value of the Products or declare full value thereof to the transportation company at the time of delivery and all such freight and insurance costs shall be for Seller's account.

2.7 Title and Risk of Loss. Title to and risk of loss of the Products shall pass to Buyer upon delivery by Supplier to Buyer's Site.

2.8 Packaging. Unless Buyer requests in writing otherwise, all Products ordered by Buyer shall be packed for shipment and storage in accordance with Supplier's standard procedures. It is Buyer's obligation to notify Supplier of any special packaging requirements (which shall be at Buyer's expense).

3. Term and Termination.

3.1 Term. The term of this Agreement will commence on the Effective Date and continue in effect for a term of 24-months, unless earlier terminated as provided in this Agreement. The Agreement may be extended for up to two (2) additional twenty-four month periods, subject to the approval of the Supplier and the Buyer Purchasing Officer or designee.

4. Agreement Amount

4.1 Total amount of this Agreement shall not exceed \$130,964 for the first 24-months of the initial Agreement period and \$130,964 for each 24-month option period thereafter without the approval of the Purchasing Officer or his/her authorized designee. Quantities will be as needed and specified by the Buyer for each order. There is no guaranteed minimum amount for this Agreement.

4.2 Economic Price Adjustment.

- A. **Price Adjustments:** Prices shown in this Agreement shall remain firm for the first 12-months of the initial 24-month Agreement price. After that, in recognition of the potential for fluctuation of the Seller's cost, a price adjustment (increase or decrease) may be requested by either the Buyer or the Seller on the anniversary date of the Agreement or as may otherwise be specified herein. The percentage change between the Agreement price and the requested price shall not exceed the percentage change between the specified index in effect on the date the Agreement is executed and the most recent, non-preliminary data at the time the price adjustment is requested. The requested price adjustment shall not exceed twenty-five percent (25%) for any single line item and in no event shall the total amount of the Agreement be automatically adjusted as a result of the change in one or more line items made pursuant to this provision. Prices for products or services unaffected by verifiable cost trends shall not be subject to adjustment.
- B. **Effective Date:** Approved price adjustments will go into effect on the first day of the upcoming renewal period or anniversary date of Agreement award and remain in effect until Agreement expiration unless changed by subsequent amendment.
- C. **Adjustments:** A request for price adjustment must be made in writing and submitted to the other Party prior to the yearly anniversary date of the Agreement; adjustments may only be considered at that time unless otherwise specified herein. Requested adjustments must be solely for the purpose of accommodating changes in the Seller's direct costs. Seller shall provide an updated price listing once agreed to adjustment(s) have been approved by the parties.
- D. **Indexes:** In most cases an index from the Bureau of Labor Standards (BLS) will be utilized; however, if there is more appropriate, industry recognized standard then that index may be selected.
 - i. The following definitions apply:
 - (1) **Base Period:** Month and year of the original contracted price (the solicitation close date).
 - (2) **Base Price:** Initial price quoted, proposed and/or contracted per unit of measure.

- (3) **Adjusted Price:** Base Price after it has been adjusted in accordance with the applicable index change and instructions provided.
 - (4) **Change Factor:** The multiplier utilized to adjust the Base Price to the Adjusted Price.
 - (5) **Weight %:** The percent of the Base Price subject to adjustment based on an index change.
- ii. **Adjustment-Request Review:** Each adjustment-request received will be reviewed and compared to changes in the index(es) identified below. Where applicable:
- (1) Utilize final Compilation data instead of Preliminary data
 - (2) If the referenced index is no longer available shift up to the next higher category index.
- iii. **Index Identification:** Complete table as they may apply.

Weight % or \$ of Base Price: All	
Database Name: Petroleum lubricating oils and greases, refined petroleum	
Series ID: PCU3241913241910	
<input checked="" type="checkbox"/> Not Seasonally Adjusted	<input type="checkbox"/> Seasonally Adjusted
Geographical Area: N/A	
Description of Series ID: 198012	
This Index shall apply to the following items of the Bid Sheet / Cost Proposal:	

E. **Calculation:** Price adjustment will be calculated as follows:

Single Index: Adjust the Base Price by the same factor calculated for the index change.

Index at time of calculation
Divided by index on solicitation close date
Equals Change Factor
Multiplied by the Base Rate
Equals the Adjusted Price

F. If the requested adjustment is not supported by the referenced index, the Buyer, as its sole discretion, may consider approving an adjustment on fully documented market increases.

5. **Warranty; Remedy, Limitation of Liability.**

5.1 **Warranty.** Supplier warrants, for a period of one (1) year from date of installation/first use or eighteen months from the original date of shipment, whichever occurs first, that the Products that are the subject of this Agreement will be delivered

free from defects in design, material and workmanship. **THIS LIMITED WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES BY SUPPLIER, EXPRESS OR IMPLIED TO THE FULLEST EXTENT PERMITTED BY LAW, ALL IMPLIED WARRANTIES INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE HEREBY EXPRESSLY EXCLUDED.**

5.2 Remedy. If Buyer notifies Supplier of a potentially defective Product within the warranty period above, and that Product is determined by Supplier to be defective, Supplier will, at its option and as Buyer's sole and exclusive remedy for a breach of this warranty, repair or replace the Product or the defective part hereof or refund the original purchase price of the Product to the Buyer. THE ABOVE REMEDY SHALL BE THE SOLE AND EXCLUSIVE REMEDY OF BUYER FOR ANY BREACH OF THE ABOVE WARRANTY. SUPPLIER SHALL NOT BE LIABLE FOR ANY OTHER COSTS, LOSSES, EXPENSES, DAMAGES OR CONSEQUENTIAL DAMAGES INCLUDING, WITHOUT LIMITATION, ANY DAMAGES FOR LOSS OF BUSINESS OR LOSS OF PROFITS. The foregoing limitation shall not apply in the case of any personal injury, including death, and/or damage to property that is caused by any defect in any Product(s) sold hereunder.

6. Indemnity.

6.1 Definitions. "Indemnified Claims" shall include any and all claims, demands, suits, causes of action, judgments and liability of every character, type or description, including all reasonable costs and expenses of litigation, mediation or other alternate dispute resolution mechanism, including attorney and other professional fees for damage to or loss of the property of any person (including, but not limited to the Buyer, the Seller, their respective agents, officers, employees and subcontractors; the officers, agents, and employees of such subcontractors; and third parties) and/or death, bodily injury, illness, disease, worker's compensation, loss of services, or loss of income or wages to any person (including but not limited to the agents, officers and employees of the Buyer, the Seller, the Seller's subcontractors, and third parties). "Fault" shall include the sale of defective or non-conforming deliverables, negligence, willful misconduct, or a breach of any legally imposed strict liability standard.

6.2 THE SELLER SHALL DEFEND (AT THE OPTION OF THE BUYER), INDEMNIFY, AND HOLD THE BUYER, ITS SUCCESSORS, ASSIGNS, OFFICERS, EMPLOYEES AND ELECTED OFFICIALS HARMLESS FROM AND AGAINST ALL INDEMNIFIED CLAIMS DIRECTLY ARISING OUT OF, INCIDENT TO, CONCERNING OR RESULTING FROM THE FAULT OF THE SELLER, OR THE SELLER'S AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THE SELLER'S OBLIGATIONS UNDER THE CONTRACT. NOTHING HEREIN SHALL BE DEEMED TO LIMIT THE RIGHTS OF THE BUYER OR THE SELLER (INCLUDING, BUT NOT LIMITED TO, THE RIGHT TO SEEK CONTRIBUTION) AGAINST ANY THIRD PARTY WHO MAY BE LIABLE FOR AN INDEMNIFIED CLAIM.

7. Force Majeure.

Supplier or Buyer shall not be liable for loss or damage of any kind resulting from delay or inability to deliver or other default or delay on account of acts of God, fire, labor troubles, accidents, acts of civil or military authorities, fuel, labor or materials

shortages, or any other conditions beyond Supplier or Buyer's control. Performance shall be deemed suspended during and extended for such time as any such circumstances or causes delay its completion.

8. Assignment.

Buyer or Seller shall not assign or otherwise transfer or encumber all or any part of its rights, duties, or other interests in this Agreement or delegate any obligation or responsibility without the other party's prior written consent. This Agreement shall be binding upon the parties' respective successors or permitted assigns.

9. Notices.

All notices required or permitted pursuant to this Agreement shall be in writing and shall be delivered by personal delivery, confirmed telephonic facsimile transmission, or commercial express courier, and shall be deemed effective upon receipt, addressed as follows:

If to Supplier:	A.W. Chesterton Company 3226 East Pasadena Freeway Pasadena, Texas 77503
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With a copy to:	A.W. Chesterton Company 500 Unicorn Park Drive Woburn, MA 01801 Attention: Office of the General Counsel
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If to Buyer:	City of Austin PO Box 1088 Austin, Texas 78767 Attn: Tracy Franklin, Contract Administrator
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The foregoing addresses may be changed from time to time by notice to the other party in the manner provided in this Section 7.

10. Relationship of the Parties.

The parties hereto are independent of each other, and no agency, partnership, joint venture or employee-employer relationship is intended or created by this Agreement. Neither party shall have the power to obligate or bind the other party.

11. No Waiver.

Failure of Supplier at any time to require performance by Buyer of any provision hereof shall in no way affect the full right to require such performance at any time thereafter, nor shall the waiver by Supplier of a breach of any of the provisions hereof constitute a waiver of any succeeding breach of the same or any other provision.

12. Severability.

Any provision herein which is prohibited by the laws of any state or other jurisdiction applicable hereto shall be ineffective to the extent of such prohibition, without invalidating the remaining provisions of the Agreement between the parties.

13. Applicable Law and Venue.

This Agreement shall be construed, and the rights and obligations of the parties shall be determined by and in accordance with the laws of the State of Texas, without regard to the conflicts of laws principles thereof. All issues arising from this Contract shall be resolved in the courts of Travis County, Texas and the parties agree to submit to the exclusive personal jurisdiction of such courts. The foregoing, however, shall not be construed or interpreted to limit or restrict the right or ability of the City to seek and secure injunctive relief from any competent authority as contemplated herein.

14. Entire Agreement.

This Agreement constitutes the entire agreement between the parties and supersedes all prior negotiations, representations or agreements relating thereto either written or oral, except to the extent that they are expressly incorporated herein. Unless otherwise expressly provided herein, no changes, alterations or modifications to this Agreement shall be effective unless in writing and signed by the respective parties hereto or their duly authorized agents.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written, the corporate parties by their officers duly authorized.

SUPPLIER:

AW Chesterton Company

By: Douglas Wade
Name: Douglas Wade
Title: VP-NA

BUYER:

City of Austin

By: Stephen T. Aden, Sr
Name: Stephen T. Aden, Sr
Title: Corporate Purchasing Manager

Exhibit A

Product and Pricing Schedule

Chesterton Product	Chesterton Part No.	Unit	Unit Price
630 SXCF Grease	082714	55 kg drum	\$2,164 each
630 SXCF Grease	082713	400 gram cartridge	\$22.45 each

EXHIBIT B
City of Austin, Texas
EQUAL EMPLOYMENT/FAIR HOUSING OFFICE
NON-DISCRIMINATION CERTIFICATION

City of Austin, Texas
Human Rights Commission

To: City of Austin, Texas, ("OWNER")

I hereby certify that our firm conforms to the Code of the City of Austin, Section 5-4-2 as reiterated below:
Chapter 5-4. Discrimination in Employment by City Contractors.

Sec. 4-2 Discriminatory Employment Practices Prohibited. As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations and agrees:

- (B) (1) Not to engage in any discriminatory employment practice defined in this chapter.
- (2) To take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter. Such affirmative action shall include, but not be limited to: all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising; selection for training and apprenticeship, rates of pay or other form of compensation, and layoff or termination.
 - (3) To post in conspicuous places, available to employees and applicants for employment, notices to be provided by OWNER setting forth the provisions of this chapter.
 - (4) To state in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sexual orientation, gender identity, disability, veteran status, sex or age.
 - (5) To obtain a written statement from any labor union or labor organization furnishing labor or service to Contractors in which said union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement policies and provisions of this chapter.
 - (6) To cooperate fully with OWNER's Human Rights Commission in connection with any investigation or conciliation effort of said Human Rights Commission to ensure that the purpose of the provisions against discriminatory employment practices are being carried out.
 - (7) To require compliance with provisions of this chapter by all subcontractors having fifteen or more employees who hold any subcontract providing for the expenditure of \$2,000 or more in connection with any contract with OWNER subject to the terms of this chapter.

For the purposes of this Offer and any resulting Contract, Contractor adopts the provisions of the City's Minimum Standard Nondiscrimination Policy set forth below.

As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations.

The Contractor will not discriminate against any applicant or employee based on race, creed, color, national origin, sex, age, religion, veteran status, gender identity, disability, or sexual orientation. This policy covers all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising, selection for training and apprenticeship, rates of pay or other forms of compensation, and layoff or termination.

Further, employees who experience discrimination, sexual harassment, or another form of harassment should immediately report it to their supervisor. If this is not a suitable avenue for

addressing their complaint, employees are advised to contact another member of management or their human resources representative. No employee shall be discriminated against, harassed, intimidated, nor suffer any reprisal as a result of reporting a violation of this policy. Furthermore, any employee, supervisor, or manager who becomes aware of any such discrimination or harassment should immediately report it to executive management or the human resources office to ensure that such conduct does not continue.

Contractor agrees that to the extent of any inconsistency, omission, or conflict with its current non-discrimination employment policy, the Contractor has expressly adopted the provisions of the City's Minimum Non-Discrimination Policy contained in Section 5-4-2 of the City Code and set forth above, as the Contractor's Non-Discrimination Policy or as an amendment to such Policy and such provisions are intended to not only supplement the Contractor's policy, but will also supersede the Contractor's policy to the extent of any conflict.

UPON CONTRACT AWARD, THE CONTRACTOR SHALL PROVIDE A COPY TO THE CITY OF THE CONTRACTOR'S NON-DISCRIMINATION POLICY ON COMPANY LETTERHEAD, WHICH CONFORMS IN FORM, SCOPE, AND CONTENT TO THE CITY'S MINIMUM NON-DISCRIMINATION POLICY, AS SET FORTH HEREIN, OR THIS NON-DISCRIMINATION POLICY, WHICH HAS BEEN ADOPTED BY THE CONTRACTOR FOR ALL PURPOSES (THE FORM OF WHICH HAS BEEN APPROVED BY THE CITY'S EQUAL EMPLOYMENT/FAIR HOUSING OFFICE), WILL BE CONSIDERED THE CONTRACTOR'S NON-DISCRIMINATION POLICY WITHOUT THE REQUIREMENT OF A SEPARATE SUBMITTAL.

Sanctions:

Our firm understands that non-compliance with Chapter 5-4 may result in sanctions, including termination of the contract and suspension or debarment from participation in future City contracts until deemed compliant with the requirements of Chapter 5-4.

Term:

The Contractor agrees that this Non-Discrimination Certificate or the Contractor's separate conforming policy, which the Contractor has executed and filed with the Owner, will remain in force and effect for one year from the date of filing. The Contractor further agrees that, in consideration of the receipt of continued Contract payments, the Contractor's Non-Discrimination Policy will automatically renew from year-to-year for the term of the underlying Contract.

Dated this 14th day of Jan, 2015

CONTRACTOR

Authorized
Signature

Title

AWC
Davey Pas Wol
JP-NA

EXHIBIT C

City of Austin, Texas

NON-SUSPENSION OR DEBARMENT CERTIFICATION

The City of Austin is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from Federal, State, or City of Austin Contracts. Covered transactions include procurement contracts for goods or services equal to or in excess of \$25,000.00 and all non-procurement transactions. This certification is required for all Vendors on all City of Austin Contracts to be awarded and all contract extensions with values equal to or in excess of \$25,000.00 or more and all non-procurement transactions.

The Contractor hereby certifies that its firm and its principals are not currently suspended or debarred from bidding on any Federal, State, or City of Austin Contracts.

Dated this 14th day of Jan, 2015

CONTRACTOR

Authorized
Signature

Title

AWC
Daryn Wade
VP - HA



City of Austin FSD Purchasing Office

Certificate of Exemption

DATE: 09/25/2014

DEPT: AWU - Davis Water Treatment Plant

TO: Purchasing Officer or Designee

FROM: Rick Van Horn

BUYER: Stephen T. Aden

PHONE: (512) 972-1700

Chapter 252 of the Local Government Code requires that municipalities comply with the procedures established for competitive sealed bids or proposals before entering into a contract requiring an expenditure of \$50,000 or more, unless the expenditure falls within an exemption listed in Section 252.022.

Senate Bill 7 amended Chapter 252 of the Local Government Code to exempt from the requirements of such Chapter expenditures made by a municipally owned electric utility for any purchases made by the municipally owned electric utility in accordance with procurement procedures adopted by a resolution of its governing body that sets out the public purpose to be achieved by those procedures. The Austin City Council has adopted Resolution No. 040610-02 to establish circumstances which could give rise to a finding of critical business need for Austin Energy.

This Certification of Exemption is executed and filed with the Purchasing Office as follows:

1. The undersigned is authorized to submit this certification.
2. The undersigned certifies that the following exemption is applicable to this purchase. (Please check which exemption you are certifying)

- ☐ a procurement made because of a public calamity that requires the immediate appropriation of money to relieve the necessity of the municipality's residents or to preserve the property of the municipality
- ☐ a procurement necessary to preserve or protect the public health or safety of municipality's residents
- ☐ a procurement necessary because of unforeseen damage to public machinery, equipment, or other property
- ☐ a procurement for personal, professional, or planning services
- ☐ a procurement for work that is performed and paid for by the day as the work progresses
- ☐ a purchase of land or right-of-way
- ☒ a procurement of items available from only one source, including: items that are available from only one source because of patents, copyrights, secret processes, or natural monopolies; films, manuscripts, or books; gas, water, and other utility services; captive replacement parts or components for

- equipment; books, papers, and other library materials for a public library that are available only from the persons holding exclusive distribution rights to the materials; and management services provided by a nonprofit organization to a municipal museum, park, zoo, or other facility to which the organization has provided significant financial or other benefits
- ☐ a purchase of rare books, papers, and other library materials for a public library
- ☐ paving, drainage, street widening and other public improvements, or related matters, if at least one-third of the cost is to be paid by or through special assessments levied on property that will benefit from the improvements
- ☐ a public improvement project, already in progress, authorized by voters of the municipality, for which there is a deficiency of funds for completing the project in accordance with the plans and purposes as authorized by the voters

- ☐ a payment under a contract by which a developer participates in the construction of a public improvement as provided by Subchapter C, Chapter 212
- ☐ personal property sold: at an auction by a state licensed auctioneer; at a going out of business sale held in compliance with Subchapter F, Chapter 17, Business & Commerce Code; by a political subdivision of this state, a state agency of this state, or an entity of the federal government; or under an interlocal contract for
 - ☐ cooperative purchasing administered by a regional planning commission established under Chapter 391
 - ☐ services performed by blind or severely disabled persons
 - ☐ goods purchased by a municipality for subsequent retail sale by the municipality
 - ☐ electricity
 - ☐ advertising, other than legal notices
 - ☐ Critical Business Need (Austin Energy Only)

3. The following facts as detailed below support an exemption according to Section 252.022 of the Local Government Code for this purchase. Please verify the steps taken to confirm these facts. If you are citing the following exemptions, please provide the additional information requested below. A more detailed explanation of these exemptions is attached.

- **Preserve and Protect the Public Health and Safety** – Describe how this purchase will preserve and protect the public safety of residents.
- **Sole Source** – Describe what patents, copyrights, secret processes, or natural monopolies exist. Attach a letter from vendor supporting the sole source. The letter must be on company letterhead and be signed by an authorized person in company management.
- **Personal Services** – Describe those services to be performed personally by the individual contracted to perform them.
- **Professional Services** – Describe what mainly mental or intellectual rather than physical or manual and/or disciplines requiring special knowledge or attainment and a high order of learning, skill, and intelligence are required to perform this service.
- **Planning Services** – Describe the services primarily intended to guide governmental policy to ensure the orderly and coordinated development of the state or of municipal, county, metropolitan, or regional land areas.
- **Critical Business Need** – Describe the procurement necessary to protect the competitive interests or position of Austin Energy.

Because of the unique formula developed by A.W. Chesterton, the product, 630 SXCF Grease, is solely manufactured and distributed by the Contractor. The product that was used in the past was Mobile FM 222 food grade grease which did not hold up well under the conditions at the Flocculation Basin.

4. Please attach any documentation that supports this exemption.
5. Please provide any evaluation conducted to support the recommendation. Include the efforts taken to ensure the selected vendor is responsible and will provide the best value to the City (Ex: evaluation of other firms, knowledge of market, etc).

Due to extensive damage over the past years to the flocculation bearings which then caused damage to the flocculation shafts due to wash out caused by the water velocity moving through the flocculation basin. A study was performed by Malcolm Pirnie Company and Craft Bearing the manufacturer of the bearings to determine what was the cause of the damage. It was determined that the failure was a result of the type of grease used as well as the amount needed to ensure proper operation. The Utility solicited the professional opinion of both firms to determine what actions must be taken to minimize the possibility of another series of failures. After testing several different types of greases, it was determined that Chesterton 630 SXCF Grease was the only product that could prevent failure to the bearings, shafts and mechanical seals.

In April 2012, a bid was issued to determine if there were products on the market that could meet the requirements of Austin Water Utility however, only one bid was submitted.

6. Because the above facts and documentation support the requested exemption, the City of Austin intends to contract with A.W. Chesterton/Chesterton Texas which will cost approximately \$ 65,481.25 (Provide estimate and/or breakdown of cost).

Recommended
Certification

Raul Avila
Originator

9-25-14
Date

Approved
Certification

[Signature]
Department Director or designee

9/25/2014
Date

[Signature]

Assistant City Manager / General Manager
or designee (if applicable)

10/6/14
Date

Purchasing Review
(if applicable)

[Signature]
Buyer

10/17/14
Date

Manager Initials

Exemption Authorized
(if applicable)

[Signature]
Purchasing Officer or designee

10/22/14
Date

02/26/2013



Memorandum

To: Robert Goode, Assistant City Manager

From: Jane Burazer, Assistant Director of Treatment, Austin Water

Date: October 1, 2014

Subject: Purchasing Exemption for A.W. Chesterton Grease

Austin Water is seeking a purchasing exemption to purchase Chesterton 630 SXCF NSF 61 approved food grade grease to lubricate the 225 each Craft floc drive bearings along with their 360 lip seals.

Due to extensive damage over the last two years to the Craft floc drive bearing, replacement of 180 bearings will occur this year. To avoid future failure of the bearings, Malcom Pirnie, design engineers, and Craft Bearing, supplier of the bearings, determined the failure of the bearings was a result of the type of grease previously used. After testing several types of grease, they have recommended that Chesterton 630 SXCF be used at an application rate of 4 Oz per bearing weekly.

Bearing failure results in damages to the flocculator drive shaft as well as damage to the 45 mechanical seals in each of the flocculator drive stuffing boxes. The cost for the bearing replacements is \$160,875.00 for the bearing alone. The costs go up when considering labor as well as down time waiting on receiving of parts.

Austin Water believes it will be more cost efficient and cost effective to purchase the grease recommended by the bearing manufacturer and the design engineering firm.

Jane Burazer, Assistant Director
Austin Water Utility





Quote

Date **April 21, 2014**
Request **630 SXCF Grease**
Description **630 SXCCF Grease**

Distributor Number **00913**
Chesterton Texas
3226 E. Pasadena Freeway
Pasadena, Texas 77503

USA

Customer Number
City of Austin – Davis WTP
3500 West 35th Street
Austin, Texas 78703
USA

Contact **Marvin D. Seitz**
Title **Sealing Device Specialist**
Cell **361-564-4545**
Office **713-920-5252**
Fax **713-920-5250**
Email **seitzm@chesterton.com**

Contact **Rick Van Horn**
Title **Materials Coordinator**
Phone **512-972-1766**
Fax **512-972-1770**
Email **Richard.vanhorn@austintexas.gov**

CHESTERTON® Items

Item Number	Product Description / Notes	Price	Qty	Total
082714	Chesterton 630 SXCF Grease - 55 kg drum	\$2164.00	30	\$64920.00
082713	Chesterton 630 SXCF Grease – 400 gram cartridge	\$22.45	25	\$561.25

Total \$65,481.25

The prices in this request are based on APT Revision: **A**

Notes The above products are being quoted for use in the Craft bearings running under water in the flocculators.