

**SECTION C
GENERAL TERMS & CONDITIONS**

THE STATE OF TEXAS

BID # L22034

ORDINANCE # 2007-278

COUNTY OF HARRIS

CONTRACT # 4600007592

I. PARTIES

A. Address

THIS AGREEMENT FOR ELECTRIC MOTOR REPAIR SERVICES FOR PUBLIC WORKS & ENGINEERING DEPARTMENT ("Agreement") is made on the Countersignature Date between the **CITY OF HOUSTON, TEXAS** ("City"), a municipal corporation and **GHX POWER SYSTEMS, LLC** ("Contractor or Vendor"), a corporation doing business in Texas.

The initial addresses of the parties, which one party may change by giving written notice to the other party, are as follows:

City

City Purchasing Agent for Director
of Public Works & Engineering Department
City of Houston
P.O. Box 1562
Houston, Texas 77251

Contractor

GHX Power Systems, LLC
7111 Ardmore
Houston, Texas 77054
Phone: 713-579-3105
Fax: 713-749-9620

The Parties agree as follows:

B. Table of Contents

This Agreement consists of the following sections:

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EXHIBITS

- A. DEFINITIONS
- B. SCOPE OF SERVICES
- * C. EQUAL EMPLOYMENT OPPORTUNITY
- * D. MWBE SUBCONTRACT TERMS
- * E. DRUG POLICY COMPLIANCE AGREEMENT
- * F. CERTIFICATION OF NO SAFETY IMPACT POSITIONS
- * G. DRUG POLICY COMPLIANCE DECLARATION
- H. FEES AND COSTS

* Note: These Exhibits shall be inserted into the Contract agreement at the time of Contract execution.

C. Parts Incorporated

The above described sections and exhibits are incorporated into this Agreement.

D. Controlling Parts

If a conflict among the sections or exhibits arises the Exhibits control over the Sections.

E. Definitions

Certain terms used in this Agreement are defined in Exhibit "A".

F. Signatures

The Parties have executed this Agreement in multiple copies, each of which is an original.

ATTEST/SEAL (if a corporation):

GHX Power Systems, LLC

WITNESS (if not a corporation):

By: 

Name: GARY P. DUBROC

Title: Manager

By: 

Name: BEN B. ANDREWS

Title: MANAGER

Federal Tax ID Number: 1-02-0723728-9

ATTEST/SEAL:

CITY OF HOUSTON, TEXAS

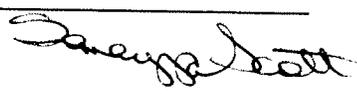
Signed by:



City Secretary

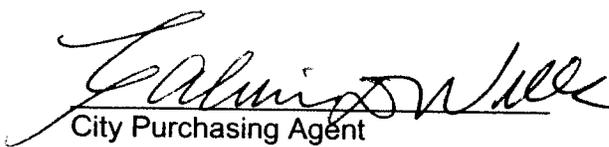


Mayor

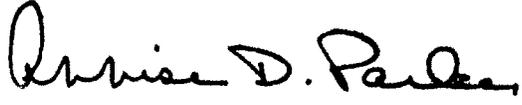


APPROVED:

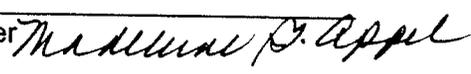
COUNTERSIGNED BY:



City Purchasing Agent



City Controller



DATE COUNTERSIGNED:

3-20-07

This Contract has been reviewed as to form by the undersigned legal assistant and has been found to meet established Legal Department criteria. The Legal Department has not reviewed the content of these documents.

2-6-07
Date


Legal Assistant

II. DUTIES OF CONTRACTOR

A. Scope of Services

In consideration of the payments specified in this Agreement, Contractor shall provide all labor, material, and supervision necessary to perform the services described in Exhibit "B."

B. RELEASE

CONTRACTOR AGREES TO AND SHALL RELEASE THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE CITY) FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CITY'S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE CITY'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.

C. INDEMNIFICATION

CONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY "THE CITY") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEY'S FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTA TO PERFORMANCE UNDER THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:

- (1) CONTRACTOR'S AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY IN NUMBERED PARAGRAPHS 1-3, "CONTRACTOR") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;
- (2) THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT; AND
- (3) THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER CONTRACTOR IS IMMUNE FROM

LIABILITY OR NOT.

CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS DURING THE TERM OF THIS CONTRACT AND FOR FOUR YEARS AFTER THE CONTRACT TERMINATES. CONTRACTOR'S INDEMNIFICATION IS LIMITED TO \$500,000.00 PER OCCURRENCE. CONTRACTOR SHALL NOT INDEMNIFY THE CITY FOR THE CITY'S SOLE NEGLIGENCE.

D. INDEMNIFICATION PROCEDURES

- (1) Notice of Claims. If the City or Contractor receives notice of any claim or circumstances which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 10 days. The notice must include the following:
- (a) a description of the indemnification event in reasonable detail,
 - (b) the basis on which indemnification may be due, and the anticipated amount of the indemnified loss.

This notice does not stop or prevent the City from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If the City does not provide this notice within the 10 day period, it does not waive any right to indemnification except to the extent that Contractor is prejudiced, suffers loss, or incurs expense because of the delay.

(2) Defense of Claims

- (a) Assumption of Defense. Contractor may assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to the City. Contractor shall then control the defense and any negotiations to settle the claim. Within 10 days after receiving written notice of the indemnification request, Contractor must advise the City as to whether or not it will defend the claim. If Contractor does not assume the defense, the City shall assume and control the defense, and all defense expenses constitute an indemnification loss.
- (b) Continued Participation. If Contractor elects to defend the claim, the City may retain separate counsel to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. Contractor may settle the claim without the consent or agreement of the City, unless it (i) would result in injunctive relief or other

equitable remedies or otherwise require the City to comply with restrictions or limitations that adversely affect the City, (ii) would require the City to pay amounts that Contractor does not fund in full, (iii) would not result in the City's full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

E. Insurance

Contractor shall maintain in effect certain insurance coverage and shall furnish certificates of insurance, in duplicate form, before beginning its performance under this Agreement. All policies except Professional Liability and Workers' Compensation must name the City as an additional insured. The issuer of any policy (1) shall have a Certificate of Authority to transact insurance business in Texas or (2) shall be an eligible non-admitted insurer in the State of Texas and have a Best's rating of at least B+ and a Best's Financial Size Category of Class VI or better, according to the most current edition Best's Key Rating Guide. Contractor shall maintain the following insurance coverages in the following amounts:

- (1) Commercial General Liability insurance including Contractual Liability insurance:
\$500,000 per occurrence; \$1,000,000 aggregate
- (2) Workers' Compensation including Broad Form All States endorsement:
Statutory amount
- (3) Automobile Liability insurance
\$1,000,000 combined single limit per occurrence
Defense costs are excluded from the face amount of the policy.
Aggregate Limits are per 12-month policy period unless otherwise indicated.
- (4) Employer's Liability
Bodily injury by accident \$100,000 (each accident)
Bodily injury by disease \$100,000 (policy limit)
Bodily injury by disease \$100,000 (each employee)

All insurance policies must require on their face, or by endorsement, that the insurance carrier waives any rights of subrogation against the City, and that it shall give 30 days written notice to the City before they may be canceled. Within the 30 day period, Contractor shall provide other suitable policies in lieu of those about to be canceled, materially changed, or non-renewed so as to maintain in effect the required coverage. If Contractor does not comply with this requirement, the Director, at his or sole discretion, may:

- (1) immediately suspend Contractor from any further performance under this Agreement and begin procedures to terminate for default, or
- (2) purchase the required insurance with City funds and deduct the cost of the premiums from amounts due to Contractor under this Agreement.

F. Warranties

Contractor represents and warrants that it shall perform all work in a good and workmanlike manner, meeting the standards of quality prevailing in Harris County, Texas for work of this kind. Contractor shall perform all work using trained and skilled persons having substantial experience performing the work required under this Agreement.

With respect to any parts and goods furnished by it, Contractor warrants:

- (1) that all items are free of defects in title, material, and workmanship,
- (2) that each item meets or exceeds the manufacturer's specifications and requirements for the equipment, structure, or other improvement in which the item is installed,
- (3) that each replacement item is new in accordance with original equipment manufacturer's specifications, and of a quality at least as good as the quality of the item which it replaces (when the replaced item was new), and
- (4) that no item or its use infringes any patent, copyright, or proprietary right.

G. Licenses and Permits

Contractor shall obtain and pay for all licenses, permits, and certificates required by any statute, ordinance, rule, or regulation.

H. Compliance with Equal Opportunity Ordinance

Contractor shall comply with the City's Equal Employment Opportunity Ordinance as set out in Exhibit "C."

I. MWBE Compliance

Contractor shall comply with the City's Minority and Women Business Enterprise ("MWBE") programs as set out in Chapter 15, Article V of the City of Houston Code of Ordinances. Contractor shall make good faith efforts to award subcontracts or supply agreements in at least 3% of the value of this Agreement to MWBEs.

Contractor acknowledges that it has reviewed the requirements for good faith efforts on file with the City's Affirmative Action Division and will comply with them.

Contractor shall require written subcontracts with all MWBE subcontractors and shall submit all disputes with MWBEs to binding arbitration in Houston, Texas if directed to do so by the Affirmative Action Division Director. MWBE subcontracts must contain the terms set out in Exhibit "D." If Contractor is an individual person (as distinguished from a corporation, partnership, or other legal entity), and the amount of the subcontract is \$50,000 or less, the subcontract must also be signed by the attorneys of the respective parties.

J. Drug Abuse Detection and Deterrence

(1) It is the policy of the City to achieve a drug-free workforce and workplace. The manufacture, distribution, dispensation, possession, sale, or use of illegal drugs or alcohol by contractors while on City Premises is prohibited. Contractor shall comply with all the requirements and procedures set forth in the Mayor's Drug Abuse Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31 ("Executive Order"), which is incorporated into this Agreement and is on file in the City Secretary's Office.

(2) Before the City signs this Agreement, Contractor shall file with the Contract Compliance Officer for Drug Testing ("CCODT"):

- (a) a copy of its drug-free workplace policy,
- (b) the Drug Policy Compliance Agreement substantially in the form set forth in Exhibit "E", together with a written designation of all safety impact positions and,
- (c) if applicable (e.g. no safety impact positions), the Certification of No Safety Impact Positions, substantially in the form set forth in Exhibit "F".

If Contractor files a written designation of safety impact positions with its Drug Policy Compliance Agreement, it also shall file every 6 months during the performance of this Agreement or on completion of this Agreement if performance is less than 6 months, a Drug Policy Compliance Declaration in a form substantially similar to Exhibit "G". Contractor shall submit the Drug Policy Compliance Declaration to the CCODT within 30 days of the expiration of each 6-month period of performance and within 30 days of completion of this Agreement. The first 6-month period begins to run on the date the City issues its Notice to Proceed or if no Notice to Proceed is issued, on the first day Contractor begins work under this Agreement.

(3) Contractor also shall file updated designations of safety impact positions with the CCODT if additional safety impact positions are added to Contractor's employee work force.

(4) Contractor shall require that its subcontractors comply with the Executive Order, and Contractor

shall secure and maintain the required documents for City inspection.

K. Environmental Laws

Contractor shall comply with all rules, regulations, statutes, or orders of the Environmental Protection Agency ("EPA"), the Texas Commission on Environmental Quality ("TCEQ"), and any other governmental agency with the authority to promulgate environmental rules and regulations (Environmental Laws). Contractor shall promptly reimburse the City for any fines or penalties levied against the City because of Contractor's failure to comply.

Contractor shall not possess, use, generate, release, discharge, store, dispose of, or transport any Hazardous Materials on, under, in, above, to, or from the site except in strict compliance with the Environmental Regulations. "Hazardous Materials" means any substances, materials, or wastes that are or become regulated as hazardous or toxic substances under any applicable federal, state, or local laws, regulations, ordinances, or orders. Contractor shall not deposit oil, gasoline, grease, lubricants or any ignitable or hazardous liquids, materials, or substances in the City's storm sewer system or sanitary sewer system or elsewhere on City Property in violation of the Environmental Laws.

L. Contractor's Performance

Contractor shall make citizen satisfaction a priority in providing services under this Agreement. Contractor shall train its employees to be customer service-oriented and to positively and politely interact with citizens when performing contract services. Contractor's employees shall be clean, courteous, efficient, and neat in appearance and committed to offering the highest quality of service to the public. If, in the Director's opinion, Contractor is not interacting in a positive and polite manner with citizens, he or she shall direct Contractor to take all remedial steps to conform to these standards.

M. Payment of Employees and Subcontractors

Contractor shall make timely payments in accordance with applicable state and federal law to all persons and entities supplying labor, materials or equipment for the performance of this Agreement including Contractor's employees.

Contractor shall defend and indemnify the City from any claims or liability arising out of Contractor's failure to pay its subcontractors as required by law. Contractor shall submit disputes relating to payment of M/WBE subcontractors to arbitration in the same manner as any other disputes under the M/WBE subcontract.

III. DUTIES OF CITY

A. Payment Terms

The City shall pay and Contractor shall accept fees at the unit prices provided in Exhibit H for all services rendered and the Deliverables furnished by Contractor. The fees must only be paid from Allocated Funds, as provided below.

Any quantities of services or Deliverables shown in any part of this contract or its exhibits are estimated only and are not any guarantee that the City will not purchase more or less of those services or Deliverables. The City will pay only for the services or Deliverables actually ordered and only at the unit prices set out.

B. Taxes

The City is exempt from payment of Federal Excise and Transportation Tax and Texas Limited Sales and Use Tax. Contractor's invoices to the City must not contain assessments of any of these taxes. The Director will furnish the City's exemption certificate and federal tax identification number to Contractor if requested.

C. Method of Payment

The City shall pay Contractor on the basis of invoices submitted by Contractor and approved by the Director, showing the specific tasks completed in the preceding month and the corresponding prices. The City shall make payments to Contractor at its address for notices within 30 days of receipt of an approved invoice.

D. Method of Payment - Disputed Payments

If the City disputes any items in an invoice Contractor submits for any reason, including lack of supporting documentation, the Director shall temporarily delete the disputed item and pay the remainder of the invoice. The Director shall promptly notify Contractor of the dispute and request remedial action. After the dispute is settled, Contractor shall include the disputed amount on a subsequent regularly scheduled invoice or on a special invoice for the disputed item only.

E. Limit of Appropriation

(1) The City's duty to pay money to Contractor under this Agreement is limited in its entirety by the

provisions of this Section.

(2) In order to comply with Article II, Sections 19 and 19a of the City's Charter and Article XI, Section 5 of the Texas Constitution, the City has appropriated and allocated the sum of \$390,000.00 to pay money due under this Agreement (the "Original Allocation"). The executive and legislative officers of the City, in their discretion, may allocate supplemental funds for this Agreement, but they are not obligated to do so. Therefore, the parties have agreed to the following procedures and remedies:

(3) The City makes a supplemental allocation by sending a notice signed by the Director and the City Controller to Contractor and where appropriated, approved by motion, or ordinance of City Council in substantially the following form:

"NOTICE OF SUPPLEMENTAL ALLOCATION OF FUNDS"

TO: [Name of Contractor]

FROM: City of Houston, Texas (the "City")

DATE: [Date of notice]

SUBJECT: Supplemental allocation of funds for the purpose of the "[title of this Agreement]" between the City and (name of Contractor) countersigned by the City Controller on (Date of Countersignature) (the "Agreement").

I, (name of City Controller), City Controller of the City of Houston, certify that the supplemental sum of \$_____, upon the request of the below-signed Director, has been allocated for the purposes of the Agreement out of funds appropriated for this purpose by the City Council of the City of Houston. This supplemental allocation has been charged to such appropriation.

The aggregate of all sums allocated for the purpose of such Agreement, including the Original Allocation, and all supplemental allocations (including this one), as of the date of this notice, is \$_____.

SIGNED:

(Signature of the City Controller)

City Controller of the City

REQUESTED:

(Signature of the Director)

Director

- (4) The Original Allocation plus all supplemental allocations are the Allocated Funds. The City shall never be obligated to pay any money under this Agreement in excess of the Allocated Funds. Contractor must assure itself that sufficient allocations have been made to pay for services it provides. If Allocated Funds are exhausted, Contractor's only remedy is suspension or termination of its performance under this Agreement and it has no other remedy in law or in equity against the City and no right to damages of any kind.

F. Changes

- (1) At any time during the Agreement Term, the City Purchasing Agent or Director upon written authorization by the City Purchasing Agent may issue a Change Order to increase or decrease the scope of services or change plans and specifications, as he or she may find necessary to accomplish the general purposes of this Agreement. Contractor shall furnish the services or deliverables in the Change Order in accordance with the requirements of this Agreement plus any special provisions, specifications, or special instructions issued to execute the extra work.
- (2) The City Purchasing Agent or Director upon written authorization by the City Purchasing Agent will issue the Change Order in substantially the following form:

CHANGE ORDER

TO: [Name of Contractor]

FROM: City of Houston, Texas (the "City")

DATE: [Date of Notice]

SUBJECT: Change Order under the Agreement between the City and [Name of Contractor] countersigned by the City Controller on [Date of countersignature of the Agreement]

Subject to all terms and conditions of the Agreement, the City requests that Contractor provide the following:

[Here describe the additions to or changes to the equipment or services and the Change Order Charges applicable to each.]

Signed:

[Signature of City Purchasing Agent or Director upon written notice to the City Purchasing Agent]

- (3) The City Purchasing Agent or Director upon written authorization by the City Purchasing Agent may issue more than one Change Order, subject to the following limitations:
 - (a) Council expressly authorizes the City Purchasing Agent or Director upon written authorization by the City Purchasing Agent, to approve a Change Order of up to \$25,000. A Change Order of more than \$25,000 over the approved contract amount must be approved by the City Council.
 - (b) If a Change Order describes items that Contractor is otherwise required to provide under this Agreement, the City is not obligated to pay any additional money to Contractor.
 - (c) The Total of all Change Orders issued under this section may not increase the Original Agreement amount by more than 25%.
- (4) Whenever Contractor receives a Change Order, Contractor shall furnish all material, equipment, and personnel necessary to perform the work described in the Change Order. Contractor shall complete the work within the time prescribed. If no time for completion is prescribed, Contractor shall complete the work within a reasonable time. If the work described in any Change Order causes an unavoidable delay in any other work Contractor is required to perform under this Agreement, Contractor may request a time extension for the completion of the work. The City Purchasing Agent's or Director's decision regarding a time extension is final.
- (5) A product or service provided under a Change Order is subject to inspection, acceptance, or rejection in the same manner as the work described in the Original Agreement, and is subject to the terms and conditions of the Original Agreement as if it had originally been a part of the Agreement.
- (6) Change Orders are subject to the Allocated Funds provisions of this Agreement.

IV. TERM AND TERMINATION

A. Contract Term

This Agreement is effective on the Countersignature Date and expires three (3) years after the date specified in the Notice to Proceed unless sooner terminated according to the terms of this Agreement.

B. Notice to Proceed

Contractor shall begin performance under this Agreement on the date specified in a Notice to Proceed from the City Purchasing Agent.

C. Renewals

If sufficient funds are allocated, the City Purchasing Agent, at his or her sole discretion, may make a request to Contractor to renew this Agreement for up to two additional 1-year option periods, upon at least 30 days' written notice before expiration of the initial term, or first option period, as applicable. Any renewal, pursuant to this Section, shall be upon the same terms and conditions of the Agreement.

D. Time Extensions

If Department requests an extension of time to complete its performance, then the City Purchasing Agent may, in his or her sole discretion, extend the time so long as the extension does not exceed 90 days. The extension must be in writing but does not require amendment of this Agreement. Contractor is not entitled to damages for delay(s) regardless of the cause of the delay(s).

E. Termination for Convenience by the City

The City Purchasing Agent or Director upon written authorization by the City Purchasing Agent may terminate this Agreement at any time by giving 30 days written notice to Contractor. The City's right to terminate this Agreement for convenience is cumulative of all rights and remedies which exist now or in the future.

On receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement and cancel all existing orders and subcontracts that are chargeable to this Agreement. As soon as practicable after receiving the termination notice, Contractor shall submit an invoice showing in detail the services performed under this Agreement up to the termination date. The City shall then pay the fees to Contractor for services actually performed, but not already paid for, in the same manner as prescribed in Section III unless the fees exceed the allocated funds remaining under this Agreement.

TERMINATION OF THIS AGREEMENT AND RECEIPT OF PAYMENT FOR SERVICES RENDERED ARE CONTRACTOR'S ONLY REMEDIES FOR THE CITY'S TERMINATION FOR CONVENIENCE, WHICH DOES NOT CONSTITUTE A DEFAULT OR BREACH OF THIS AGREEMENT. CONTRACTOR WAIVES ANY CLAIM (OTHER THAN ITS CLAIM FOR PAYMENT AS SPECIFIED IN THIS SECTION), IT MAY HAVE NOW

OR IN THE FUTURE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE CITY'S TERMINATION FOR CONVENIENCE.

F. Termination for Cause by City

If Contractor defaults under this Agreement, the City Purchasing Agent or Director upon written authorization by the City Purchasing Agent may either terminate this Agreement or allow Contractor to cure the default as provided below. The City's right to terminate this Agreement for Contractor's default is cumulative of all rights and remedies which exist now or in the future. Default by Contractor occurs if:

- (1) Contractor fails to perform any of its duties under this Agreement;
- (2) Contractor becomes insolvent;
- (3) all or a substantial part of Contractor's assets are assigned for the benefit of its creditors; or
- (4) a receiver or trustee is appointed for Contractor.

If a default occurs, the City Purchasing Agent or Director upon written authorization by the City Purchasing Agent may, but is not obligated to, deliver a written notice to Contractor describing the default and the termination date. The City Purchasing Agent or Director upon written authorization by the City Purchasing Agent, at his or her sole option, may extend the termination date to a later date. If the City Purchasing Agent or Director upon written authorization by the City Purchasing Agent allows Contractor to cure the default and Contractor does so to the City Purchasing Agent's or Director's satisfaction before the termination date, then the termination is ineffective. If Contractor does not cure the default before the termination date, then the City Purchasing Agent or Director upon written notice to the City Purchasing Agent may terminate this Agreement on the termination date, at no further obligation of the City.

To effect final termination, the City Purchasing Agent or Director upon written notice to the City Purchasing Agent must notify Contractor in writing. After receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement, and promptly cancel all orders or subcontracts chargeable to this Agreement.

G. Termination for Cause by Contractor

Contractor may terminate its performance under this Agreement only if the City defaults and fails to cure the default after receiving written notice of it. Default by the City occurs if the City fails to perform one or more of its material duties under this Agreement. If a default occurs and Contractor wishes to terminate the

Agreement, then Contractor must deliver a written notice to the Director describing the default and the proposed termination date.

The date must be at least 30 days after the Director receives notice. Contractor, at its sole option, may extend the proposed termination date to a later date. If the City cures the default before the proposed termination date, then the proposed termination is ineffective. If the City does not cure the default before the proposed termination date, then Contractor may terminate its performance under this Agreement on the termination date.

H. Removal of Contractor Owned Equipment and Materials

Upon expiration, or termination of this Agreement, Contractor is permitted ten (10) days within which to remove contractor-owned material and equipment from the City's premises. The City shall make such material and equipment readily available to Contractor. The time period may be extended upon approval by the Director. The City reserves the right to deny any extension of time.

V. MISCELLANEOUS

A. Independent Contractor

Contractor shall perform its obligations under this Agreement as an independent contractor and not as an employee of the City.

B. Force Majeure

1. Timely performance by both parties is essential to this Agreement. However, neither party is liable for delays or other failures to perform its obligations under this Agreement to the extent the delay or failure is caused by Force Majeure. Force Majeure means fires, floods, explosions, and other acts of God, war, terrorist acts, riots, court orders, and the acts of superior governmental or military authority.
2. This relief is not applicable unless the affected party does the following:
 - (a) uses due diligence to remove the Force Majeure as quickly as possible; and
 - (b) provides the other party with prompt written notice of the cause and its anticipated effect.
3. The City may perform contract functions itself or contract them out during periods of Force Majeure. Such performance does not constitute a default or breach of this Agreement by the City.
4. If the Force Majeure continues for more than 30 days, the City Purchasing Agent or Director

upon written authorization by the City Purchasing Agent may terminate this Agreement by giving 30 days' written notice to Contractor. This termination is not a default or breach of this Agreement. CONTRACTOR WAIVES ANY CLAIM IT MAY HAVE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE TERMINATION EXCEPT FOR AMOUNTS DUE UNDER THE AGREEMENT AT THE TIME OF THE TERMINATION.

C. Severability

If any part of this Agreement is for any reason found to be unenforceable, all other parts remain enforceable unless the result materially prejudices either party.

D. Entire Agreement

This Agreement merges the prior negotiations and understandings of the Parties and embodies the entire agreement of the Parties. No other agreements, assurances, conditions, covenants (express or implied), or other terms of any kind exist between the Parties regarding this Agreement.

E. Written Amendment

Unless otherwise specified elsewhere in this Agreement, this Agreement may be amended only by written instrument executed on behalf of the City (by authority of an ordinance duly adopted by the City Council) and Contractor. The Director is only authorized to perform the functions specifically delegated to him or her in this Agreement.

F. Applicable Laws

This Agreement is subject to the laws of the State of Texas, the City Charter and Ordinances, the laws of the federal government of the United States, and all rules and regulations of any regulatory body or officer having jurisdiction.

Venue for any litigation relating to this Agreement is Harris County, Texas.

G. Notices

All notices required or permitted by this Agreement must be in writing and are deemed delivered on the earlier of the date actually received or the third day following: (1) deposit in a United States Postal Service post office or receptacle; (2) with proper postage (certified mail, return receipt requested); and (3) addressed to the other party at the address set out in the preamble of this Agreement or at such other address as the receiving party designates by proper notice to the sending party.

H. Non-Waiver

If either party fails to require the other to perform a term of this Agreement, that failure does not prevent the party from later enforcing that term and all other terms. If either party waives the other's breach of a term, that waiver does not waive a later breach of this Agreement.

An approval by the Director, or by any other employee or agent of the City, of any part of Contractor's performance does not waive compliance with this Agreement or establish a standard of performance other than that required by this Agreement and by law. The Director is not authorized to vary the terms of this Agreement.

I. Inspections and Audits

City representatives may perform, or have performed, (1) audits of Contractor's books and records, and (2) inspections of all places where work is undertaken in connection with this Agreement. Contractor shall keep its books and records available for this purpose for at least 3 years after this Agreement terminates. This provision does not affect the applicable statute of limitations.

J. Enforcement

The City Attorney or his or her designee may enforce all legal rights and obligations under this Agreement without further authorization. Contractor shall provide to the City Attorney all documents and records that the City Attorney requests to assist in determining Contractor's compliance with this Agreement, with the exception of those documents made confidential by federal or State law or regulation.

K. Ambiguities

If any term of this Agreement is ambiguous, it shall not be construed for or against any party on the basis that the party did or did not write it.

L. Survival

Contractor shall remain obligated to the City under all clauses of this Agreement that expressly or by their nature extend beyond the expiration or termination of this Agreement, including but not limited to, the indemnity provisions.

M. Parties In Interest

This Agreement does not bestow any rights upon any third party, but binds and benefits the City and Contractor only.

N. Successors and Assigns

This Agreement binds and benefits the Parties and their legal successors and permitted assigns; however, this provision does not alter the restrictions on assignment and disposal of assets set out in the following paragraph. This Agreement does not create any personal liability on the part of any officer or agent of the City.

O. Business Structure and Assignments

Contractor shall not assign this Agreement at law or otherwise or dispose of all or substantially all of its assets without the City Purchasing Agent's prior written consent. Nothing in this clause, however, prevents the assignment of accounts receivable or the creation of a security interest under Section 9.406 (c) of the Texas Business & Commerce Code. In the case of such an assignment, Contractor shall immediately furnish the City with proof of the assignment and the name, telephone number, and address of the Assignee and a clear identification of the fees to be paid to the Assignee.

Contractor shall not delegate any portion of its performance under this Agreement without the City Purchasing Agent's prior written consent.

P. Remedies Cumulative

Unless otherwise specified elsewhere in this Agreement, the rights and remedies contained in this Agreement are not exclusive, but are cumulative of all rights and remedies which exist now or in the future. Neither party may terminate its duties under this Agreement except in accordance with its provisions.

Q. Contractor Debt

If Contractor, at any time during the term of this agreement, incurs a debt, as the word is defined in Section 15-122 of the Houston City Code of Ordinances, it shall immediately notify the City Controller in writing. If the City Controller becomes aware that Contractor has incurred a debt, she shall immediately notify contractor in writing. If Contractor does not pay the debt within 30 days of either such notification, the City Controller may deduct funds in an amount equal to the debt from any payments owed to Contractor under this agreement, and Contractor waives any recourse therefor.

Exhibit B

1.0 SCOPE OF SERVICES:

The specifications set forth herein cover the minimum requirements for repairing vertical and horizontal Induction or synchronous motors ranging from 100 to 2500 in horsepower size. The operating voltage of these motors is 2300/4160.

2.0 Specific Tasks

- 2.1 Contractor shall provide all equipment, tools, materials, parts and labor, required to repair vertical and horizontal induction or synchronous motors ranging from 100 to 2500 in horsepower size.
- 2.2 The enclosed rotor shaft run out/shaft diameter sheet shall be used in this contract.
- 2.3 All motors that are deemed non-repairable will be picked up by the City of Houston.
- 2.4 These non-repairable motors do not need to be reassembled.
- 2.5 The City of Houston reserves the right to pick up any parts that are to be replaced.

3.0 Local Warehouse and Shop Facility Requirements:

- 3.1 The Contractor(s) must satisfy the user Department that the Contractor(s) is: Maintaining a store or branch in the Greater Houston Metropolitan area bound by Harris County. This shall apply to any sub-contractors that may be used in this Contract.
- 3.2 Contractor(s) shall have adequate staff with qualified personnel. Resumes may be required.
- 3.3 Contractor(s) store or branch building shall be in condition of good repair, maintain safe walkways and off street parking. Facilities shall meet the National Electrical Code (NEC) and National Fire Protection Association (NFPA). Facilities shall be subject to occupancy inspection.
- 3.4 Contractor(s) shall have a paint booth, which meets the code of Federal Regulations (CFR) Section 1907.107. Parts cleaning tanks and areas including dip tanks shall meet the Code of Federal Regulations (CFR) Section 1907.168.
- 3.5 Contractor(s) repair facility shall provide adequate accessibility for City of Houston delivery vehicles to safely enter and exit without exposing the operator or vehicle to unnecessary dangers such as crossing medians or backing in traffic lanes.
- 3.6 Motors equipped with lifting eyes, or similar factory lifting points shall be handled throughout the repair process with an overhead crane, for loading and unloading. The Contractor shall maintain adequate indoor, clean and dry storage space for storing motors or motor components under repair.
- 3.7 Facilities shall provide a climate controlled winding room, isolated from the tear down, sand blasting and similar contaminants that could possibly shorten the life expectancy of a winding.
- 3.8 Testing equipment shall be safe and built to test motors at their highest rated voltage, in accordance with the National Electrical Code, City of Houston Electrical Code, and other applicable codes and ordinances.
- 3.9 Contractor(s) shall have a written safe work practice procedure in effect which is acceptable to the City.
- 3.10 Steam clean area shall be so designed that all run-off can be captured and an approved oil/grease recovery system shall be in place.

4.0 Invoicing

- 4.1 All invoices must be submitted in triplicate, itemized as to quantity, part number, description, and applicable discount, if any, in addition, invoices must show the name of the Department, Division or Section and the facility name to which the merchandise was delivered, the City of Houston Ordinance Number and contract number, the receiving employee identification number and date, and the pick up date of the motor. The Department will be supplied with duplicate copies of all invoices for material, labor, and machine work that has been added to the base cost, and copies of daily time cards. Time cards must reflect time equipment is stamped in and out. Time cards not stamped, may result in a delay in invoice payments.
- 4.2 At the end of each month the City's representative and a representative from the repair shop will compare records for a balance. Any discrepancies will be resolved at that time. This balance will be completed by the tenth of each month.
- 4.3 Delivery tickets and packing slips will contain quantity, part number, description of commodity delivered, name of Department or section and facility name to which the merchandise was delivered, the City of Houston Ordinance Number, Contract number, Signature of receiving employee, printed name, employee number and the authorization release number. Mail invoices to the Public Works and Engineering Department, P.O. Box 61449, Houston, Texas 77208.

5.0 Special Note:

The City reserves the right to review all payments made to Contractors by auditing at a later date. Subject to such audit, any overpayments may be recovered from the Contractor.

6.0 Silence of specifications:

The apparent silence of these specifications as to any detail, or the apparent omission from it of a detailed description concerning any point, shall be regarded as meaning that only the best commercial practice is to prevail and that only material and workmanship of the finest quality are to be used. All interpretations of these specifications shall be made on the basis of this statement. The bidder shall be an established supplier of the items bid.

7.0 Removal of Equipment

Any and all equipment removed from City property shall be accompanied by a City of Houston Return Authorization Form. The Public Works and Engineering Department may use a motor log in conjunction with the Return Authorization form. The Return Authorization form shall be provided by the Department requesting Services. The form shall be adjusted by the user department to reflect the Contract and Ordinance Numbers pertaining to this Contract.

8.0 Equipment Tracking

- 8.1 Contractor shall ensure the (EI) tag remains attached to the equipment. Contractor shall notify the City's representative if the EI tag is damaged or missing.
- 8.2 The City's representative shall ensure that (MMS) procedures for tracking the Division's equipment are strictly followed.
- 8.3 The City's representative shall ensure the contracted repair expenses (Labor, Material, Equipment and Warranty) are inserted into (MMS) and shall update (MMS) equipment history.

9.0 ELECTRIC MOTOR INSPECTION AND REPAIR-GENERAL

9.1 Disassembly

- 9.1.1 Before disassembly, nameplate data shall be verified, all missing or damaged parts shall be identified in writing, recorded, and special items (conduit box, location, brakes, gears, etc.) shall be noted on the inspection form. Stator winding phase to ground insulation to be checked with a 500 volt megger and the results noted on the inspection form. Stator winding to be checked for shorts using PJ surge comparison test and all values to be recorded.
- 9.1.2 During disassembly, the motor shall be visually inspected to determine cause of failure, including electrical and/or mechanical failure, cooling coils shall be pressure tested, and the oil standpipe shall be removed in a manner that does not compromise the integrity of, or cause damage to the standpipe, if the motor is so equipped. After the bearing housing has been checked with micrometer and necessary repairs have been made, the oil standpipe must be reinstalled in a leak-free manner.
- 9.1.3 Upon completion of the motor disassembly and inspection, a repair form, a itemized cost quotation form and a time schedule for the final repair of each motor are to be completed and given to the user Department for approval. Upon request, the disassembled parts shall be made available for inspection by one of the designated representatives of the City of Houston.
- 9.1.4 After completion of disassembly and inspection and the completion of the inspection and repair form the contractor shall be responsible for storage of motors and all parts. Any parts lost or damaged in the Contractor's shop shall be repaired or replaced by the contractor at no cost to the City.
- 9.1.5 **Dated repair quotes are due within seven (7) calendar days of the date a motor is delivered to the repair shop.** Picture(s) of the motor shall be taken by the Contractor prior to disassembly, which will document the overall condition, and any removable parts. Delivery of a motor to the repair shop shall be Contractor's authorization to disassemble, inspect, and prepare quotes. **The repaired motor shall be ready for final witness test, by the City, twenty-one (21) calendar days of the quote approval by the City if Houston representative.** In the event long lead time for repair parts are required, the City's representative may grant an appropriate time extension to the repair deadline. Request for time extension shall be included in the repair quote.

10.0 Mechanical Inspection

- 10.1 The rotor assembly shall be inspected for wear, scoring, cracks, and the check for open rotor bars shall be done with a core loss tester.
- 10.2 The rotor assembly shall be checked for total indicated run out and recorded on the rotor information sheet.
- 10.3 Shaft seal surface, bearing journals and coupling fit, shall be micrometer checked and recorded on the rotor information sheet.
- 10.4 End bells and bearing housing critical dimensions shall be micrometer checked and recorded on the mechanical inspection sheet.
- 10.5 The above recorded measurements shall be submitted to the user Department along with the electrical and mechanical data sheets before the tear down inspection.

11.0 Warranty

The specific repair work performed and the replacement parts furnished shall be warranted for a period of one (1) year from date of completion of work. The guarantee (warranty) period shall begin the date the user department officially accepts the repaired motor.

12.0 Failures

Any failure covered by warranty shall be repaired or replaced by the successful Contractor(s) at the Contractor's expense.

13.0 Electric Motor Inspection

The user Department reserves the right to inspect any warranty failure repair after notification to the contractor. The above recorded measurements shall be submitted to the user Department along with the electrical and mechanical data sheets before the tear down inspection.

14.0 Shop Inspection and Tests

The user Department reserves the right to inspect any work in progress and/or witness any and all tests specified by these specifications. When witness tests are specified, the contractor is responsible for notifying the user Department a minimum of twenty-four (24) hours in advance of the scheduled date and time of the tests.

15.0 Motor Repair Data Sheet

A motor repair data sheet shall be provided by the Contractor showing the condition of motors upon receipt, repair work done and final test results.

16.0 Materials

All materials used to replace damaged and missing parts shall be new and equal in quality as OEM. Any substitutions must be approved by the user Department.

17.0 Work by Others

The Contractor shall advise the user Department of the name(s) and location(s) of shop(s) that will be used for specific repair work, and obtain approval from the user Department before subcontracting the work.

18.0 TYPES OF REPAIRS

18.1 Cleaning and Reconditioning

Repair shall consist of cleaning, analyzing, repair and/or replacement of parts if needed, final inspection and testing. Anti-friction bearings shall be replaced as per motor manufacturer's specifications or approved equivalent. Sleeve bearings shall be inspected and rebabbitted or replaced per the user Department instructions.

18.2 Complete Rebuilding

Repair shall consist of stripping, cleaning, rewinding, insulating, repair and/or replacement of damaged parts, final inspection and testing, anti-friction bearings shall be replaced per manufacture's specifications or approved equivalent. Sleeve bearings shall be inspected and rebabbitted or replaced per User Department instructions.

19.0 ACCESSORIES:

- 19.1 Space heaters shall be installed on motors which are not so equipped when requested by the user Department. Heaters must be arranged to provide optimum uniform heating of stator winding. Heater wattage and voltage will be decided by the user department. Defective space heaters shall be replaced.
- 19.2 Unless otherwise specified, space heaters shall be replaced "like-for-like" and as positioned and wired in the original winding.
- 19.3 All illegible or defective nameplates shall be replaced on completion of repair. All original nameplate information, except where changed, shall be stamped on new nameplate. This will be part of the recondition/rewind price. New nameplates shall be permanently attached with mechanical fasteners.

20.0 CLEANING

- 20.1 Motor Exterior Cleaning
Motor exteriors shall be cleaned by sandblasting or by steam cleaning. Motors that have peeling paint or rust scale shall be sandblasted. During Sandblasting, nameplate and other identification plates shall be protected. The bearing housing shall have all openings tightly sealed against the entrance of sand.
- 20.2 Metal Parts Cleaning
All metal parts, including laminations shall be cleaned by sandblasting, steam cleaning, or solvent. If Oakite or similar treatment is used, it shall be removed immediately after cleaning is finished. Remove plastic fan before sandblasting. Protect all machined fits against damage by blasting. (It is preferable that the shaft not be blasted.) Contractor shall fully protect the end portions of the shaft, including the bearing journal, oil seal, labyrinth seal and coupling fit areas.
- 20.3 Insulation Cleaning
Motor insulation shall be washed with hot soapy water 200 degrees F at 30 PSI and then with fresh water. After cleaning, unit must be baked between 250 and 275 degrees F until an acceptable insulation level is obtained.

21.0 RECONDITIONING WINDING:

- 21.1 Insulation and Winding Support Repair
Motors which have been designated for winding reconditioning and have been thoroughly cleaned free from dirt, grit, grease, oil, and properly dried shall be inspected for winding damage and repairs made to damaged areas.
- 21.2 Sealing Treatment
Reconditioned motors shall receive a minimum of two (2) dips and baked in insulating resin. Stator shall be baked at manufacturer's recommended temperature and time to assure full curing.

22.0 STATOR REWIND (RANDOM AND FORM WOUND):

- 22.1 Winding Removal
The stator core shall be vertically set in the burn out oven. After burn-out and winding removal, the core and frame shall be allowed to cool by natural convection without forced air to avoid over stress or warping. Maximum burn-out temperature shall be 650 degrees "F" to avoid damage to laminations. Torch heating shall NOT be used for stator clean-up.
- 22.2 Stator Core Preparation
The stator core shall be sand blasted to a bare metal finish. The core will be thoroughly cleaned,

the stator core shall be examined for laminations damage due to arcs such as fusing or metal loss. Fused laminations shall be separated either by grinding or filing. Bent laminations shall be realigned and all protrusions into the slot area shall be filed or ground smooth. Stator cores shall not be re-stacked without user Department approval. Core loss testing will be performed to identify those that are inefficient. All stators that are rewound shall be core loss tested with a modern core loss tester and the user Department shall receive a print out of test results.

22.3 Rewind Materials

All insulating material used in the rewind shall have a Class "F" rating or better.

22.4 Winding Procedure

22.4.1 Before a new winding is installed in a stator, the winding data shall be verified to assure that an original factory equal winding is being installed. Coils shall be formed with the same number of turns and of the same size wire as the original winding.

22.4.2 Coils shall be machine wound with wire tension to obtain freedom from crossovers and uniform cross-section coils

22.4.3 Coil form shapes shall be used to ensure adequate winding clearance on motor reassembly.

22.4.4 Tape or cloth shall be installed to protect both coils at coil crossovers prior to coil lacing. Insulation shall be installed between the top and bottom coil in the core slots.

22.4.5 Preformed slot wedges shall be used to secure the winding in the stator slot, with shim material as necessary to assure tightness.

22.4.6 After the winding is complete, a check shall be made to insure the slot insulation overhangs the core slot edges and is not broken or torn at the core slot edges.

22.4.7 All winding and lead connections shall be brazed with a "silver content" rod and insulated with Class "F" insulation or better.

22.4.8 The winding, connections and leads shall be securely laced to form an integral assembly with adequate physical clearance to ground. All leads brought into the connection box shall be numbered and equipped with a compression lug with a NEMA standard bolthole. After the motor leads have been brought through the stator housing opening, this opening shall be sealed with a sealing compound, on all TEFC motors.

23.0 WINDING IMPREGNATION AND BAKING

23.1 The finished stator winding insulation to ground shall be checked with a 500 volt megger, with 10 megohms being the minimum acceptable reading.

23.2 The completed stator shall be preheated in a temperature-controlled oven to class "F" operating temperature and held at this temperature for one (1) hour.

23.3 The stator shall be allowed to cool by natural convection to 150 degree "F" prior to VPI.

23.4 Rewound stators shall go through Vacuum Pressure Impregnation (VPI).

23.5 Baking shall be done in a temperature controlled and force ventilated oven to

effect a complete and uniform cure per manufacturer's instructions.

- 23.6 Vacuum Pressure Impregnation (VPI) shall be used on all rewound 2300/4160 volt motors whether random wound or form wound.
- 23.7 Resin shall be completely removed from the stator frame mechanical fit, outer paint surfaces and the inner bore of the stator.

24.0 MECHANICAL WORK:

24.1 Metal Parts

All metal parts shall be checked for structural integrity and cracks, and shall be repaired or replaced, as approved by the user Department.

24.2 Equipment Enclosure

Terminal boxes and auxiliary equipment enclosures shall be made to meet manufacturer's specifications.

24.3 Replacement Hardware

All motors equipped with cooling coils shall be hydrostatically tested, and all fittings, connections, tubes and/or coils inspected for leaks and other damages. Defective items will be repaired and/or replaced as per motor manufacturer's specifications as approved by the user Department.

24.4 Shaft

Shafts shall be checked for damaged threads, fretted or galled areas and rubs. Check shaft straightness, between centers, against the manufacturer's drawings, if possible. Keyways shall be checked for stress cracks. This check shall be made in a lathe, the use of "V" blocks will not be accepted.

24.5 Air Intake and Exhaust Systems

Screens and filters shall be replaced where found defective. Screens shall be stainless steel, if required. Filters will be of the permanent type.

24.6 Rotor Balance

All motor rotors shall be two (2) plane dynamically balanced with complete rotating assembly, excluding ratchet assembly. Where keyway is provided, the rotor shall be balanced with a half-key and without any other item on the shaft. Then, if there is a pulley, coupling half, impeller, external fan, or any other item, these items shall be installed one at a time and balanced. Balance weights, when required, shall be added to a permanent and stable portion of the rotor, to balance rotor only. If balancing weights are added to the rotor, they shall be permanently secured by an approved method. Grinding on the rotor is **not** acceptable.

24.7 Ratchet Assembly

Ratchet assemblies shall be checked for structural integrity or defects, and shall be repaired or replaced, as approved by the user Department and trim balanced on final assembly.

24.8 Reassembly

24.8.1 The repaired motor components shall be reassembled replacing any suspect hardware. The assembled motor shall be checked for free rotation and proper fit of all components.

24.8.2 All machined surfaces and bolt threads shall be coated with a rust resistant lubricant.

24.8.3 Only properly marked leads necessary for connection of the motor supply shall be brought out to the junction box. The lead entrance to the junction box on all (T.E.F.C.) motors shall be sealed. Leads and connectors shall be sized at 125% of full load amperage as minimum.

24.8.4 After assembly, the motor exterior shall be cleaned, removing all grease, loose paint and other foreign material. The motor shall be spray painted in the paint booth with U.S Electric Motors Grey enamel Cat. # 28-GY--4 manufactured by Summit Industrial Coatings or equal . The paint color will be designated by the user Department.

24.9 Bearing Temperature:

The repaired motor shall run at its highest rated voltage at no load until bearing temperatures cease to rise as measured at the hot spot, 180-degree "F" maximum, on each bearing housing. The temperature shall be recorded on the final test sheet.

24.10 Vibration Measurement

24.10.1 The motor shall be securely mounted, to a leveled metal baseplate or set on standard rubber isolation pads while vibration readings are taken.

24.10.2 After the bearing temperature run, vibration measurements shall be taken on the completely assembled motor at the DE and ODE. Horizontal and vertical on the bearing housing adjacent to the shaft.

24.10.3 Vibration measurement shall be expressed as velocity, unfiltered, and recorded on the motor repair data sheet. Acceptable maximum is 0.1"/sec.

25.0 UL RECERTIFICATION

All UL motors will be recertified by the Contractor and the City of Houston. UL recertification sheet shall be completed and become part of the invoice package.

26.0 REPAIR RECORD

Shop data sheets covering results of specific tests such as rotor balance, vibration measurement, electrical testing results, mechanical measurements and rewinding data shall be returned when the motor is shipped or returned if requested.

27.0 FINAL TESTING AND INSPECTION

A typed copy of shop testing and inspection data covering the results of any specific test, shall be included with the shipment of all repaired motors. The user department reserves the right to witness final shop testing and inspection of any and all repaired motors. All motors must be run at their highest rated voltage.

28.0 MOTOR ECONOMIC EVALUATION

Service Contractor, upon request of the user Department, must provide to the City representative the nominal efficiency of the motor proposed to be reconditioned or rewound per manufacture data and the nominal premium efficiency of a new replacement motor. The Contractor shall also provide cost estimate for the repair and the cost of a new motor with premium nominal efficiency. After the economic evaluation by the City representative, the City will inform the service Contractor which way to proceed.

29.0 ADDITIONS & DELETIONS:

The City, by written notice from the City Purchasing Agent to the Contractor, at any time during the term of this contract, may add or delete like or similar equipment, supplies, locations and/or services to the list of equipment, supplies, locations, and/or services to be provided. Any such written notice shall take effect on the date stated in the notice from the City. Similar equipment, supplies, services, or locations

added to the contract shall be in accordance with the contract specification/scope of services, and the charges or rates for items added shall be the same as specified in the fee schedule. In the event that the additional equipment, supplies, locations and/or services are not identical to the item(s) already under contract, the charges therefor will then be the Contractor's normal and customary charges or rates for the equipment, supplies, locations and/or services classified in the fee schedule.

30.0 ESTIMATED QUANTITIES NOT GUARANTEED

The estimated quantities specified herein are not a guarantee of actual quantities, as the City does not guarantee any particular quantity of electric motor repair services during the term of this contract. The quantities may vary depending upon the actual needs of the user Department. The quantities specified herein are good faith estimates of usage during the term of this contract. Therefore, the City shall not be liable for any contractual agreements/obligations the Contractor enters into based on the City purchasing/requiring all the quantities specified herein.

31.0 WARRANTY OF SERVICES

a) *Definitions:* "Acceptance" as used in this clause, means the act of an authorized representative of the City by which the City assumes for itself, approval of specific services as partial or complete performance of the contract.

"Correction" as used in this clause, means the elimination of a defect.

b) Notwithstanding inspection and acceptance by the City or any provision concerning the conclusiveness thereof, the Contractor warrants that all services performed under this contract will, at the time of acceptance, be free from defects in workmanship and conform to the requirements of this contract. The City shall give written notice of any defect or nonconformance to the Contractor within a one-year period from the date of acceptance by the City. This notice shall state either (1) that the Contractor shall correct or re-perform any defective or non-conforming services at no additional cost to the City, or (2) that the City does not require correction or re-performance.

c) If the Contractor is required to correct or re-perform, it shall be at no cost to the City, and any services corrected or re-performed by the Contractor shall be subject to this clause to the same extent as work initially performed. If the Contractor fails or refuses to correct or re-perform, the City may, by contract or otherwise, correct or replace with similar services and charge to the Contractor the cost occasioned to the City thereby, or make an equitable adjustment in the contract price.

d) If the City does not require correction or re-performance, the City shall make an equitable adjustment in the contract price.

32.0 Additional Information

Synchronous, Wound Rotor, and DC Motors will be billed at the base rate for that horsepower and voltage rating plus Contract prices for material and hourly rates associated with rotor and brush assembly repairs. There will not be an adder for vertical, special, or obsolete frame motors.

On dual horsepower motors with dual windings the base rewind price will be based on the highest horsepower. The lower speed or horsepower will be billed at labor and material for making the coils and installation only.

All motors deemed non-repairable will be picked up by the City of Houston. These motors do not need to be reassembled.

The City of Houston forms (Attachments A-F) will be used on each motor repair or new motor purchase, as needed.

Total sub-contracted work shall not exceed 20% (twenty percent) of each repair cost.

ATTACHMENT "A"

CITY OF HOUSTON
U. L. RECERTIFICATION SHEET

NAME OF REPAIR SHOP _____

FACILITY NAME _____ JOB # _____

OLD UL SERIAL # _____ NEW SERIAL # _____

ORIGINAL CLASS _____ ORIGINAL GROUP _____

REBUILT CLASS _____ REBUILT GROUP _____

DATE NEW SERIAL # ISSUED _____

WORK DONE _____

MOTOR MFGR _____ FRAME _____

MOTOR SERIAL # _____

HP _____ VOLTS _____ AMPS _____ CODE _____

INSULATING CLASS _____ THERMOSTAT MOUNTING CODE _____

UL INSPECTOR NAME: _____

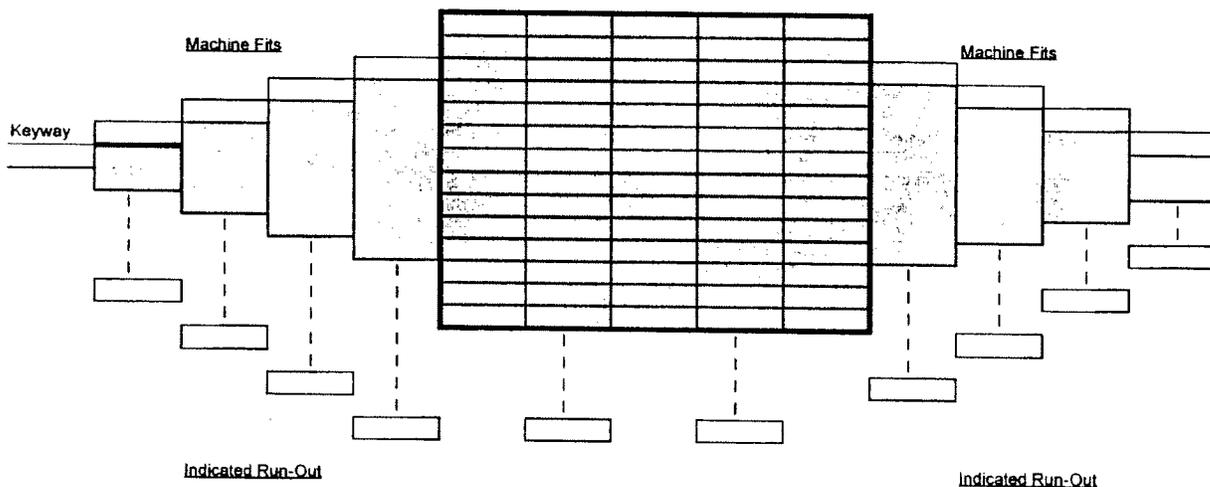
UL INSPECTOR EMPLOYEE #: _____

ATTACHMENT "B"

Horizontal Rotor

Fits and Indicated Runout

E.M.I. Job # 0



Iron Length: _____
 Iron Diam.: _____
 Slot Depth: _____
 Back Iron: _____
 # Vent Holes: _____
 Vent Hole Diam: _____

Make: 0 _____	H.P. 0 _____	Volts: 0 _____
Model: 0 _____	Amps. 0 _____	Cyc 0 _____
R.P.M. 0 _____	Frame: 0 _____	SN: 0 _____

ATTACHMENT "C"

Vertical Rotor

Fits and Indicated Runout

	E.M.I. Job # <u> 0 </u>	
Run Outs:	Machine Fits:	Name Plate Information
V	V	Make: <u> 0 </u>
<input type="text"/>	<input type="text"/>	H.P.: <u> 0 </u>
<input type="text"/>	<input type="text"/>	Volts: <u> 0 </u>
<input type="text"/>	<input type="text"/>	Model: <u> 0 </u>
<input type="text"/>	<input type="text"/>	R.P.M.: <u> 0 </u>
<input type="text"/>	<input type="text"/>	Frame: <u> 0 </u>
<input type="text"/>	<input type="text"/>	Cyc.: <u> 0 </u>
<input type="text"/>	<input type="text"/>	Amps: <u> 0 </u>
<input type="text"/>	<input type="text"/>	SN: <u> 0 </u>

Iron Length:

Iron Diam.:

Slot Depth:

Back Iron:

Vent Holes:

Vent Hole Diam:

ATTACHMENT "D"

TEARDOWN AND INSPECTION SHEET

Job.# _____ Date in Shop: _____ Location _____

Name Plate Information

Make _____ HP _____ Volts _____

Model: _____ Amps _____ Cyc. _____

R.P.M. _____ Frame: _____ SN. _____

Stator Inspection:

Megger: _____ Hipot _____ Surge _____ Leads _____

Thermal Protector _____

Rotor Inspection:

Core Loss Test: _____ Comm. _____ Rings. _____

Space Heaters:

Type: _____ Location: _____ Condition _____ Voltage _____

RTD'S

Location. _____ Type _____ Condition _____ Resistance _____

Frame:

J.Box _____ Fan Cvr _____ Fan _____ Coupling _____

NRR: _____

Bearings:

Drive End _____ Opp. Drive End _____

Seals:

Drive End _____ Opp. Drive End _____

ATTACHMENT "E"

<u>Mechanical Components</u>	<u>Drive End</u>		<u>Opp. Drive End</u>	
	Size	Condition	Size	Condition
Bearing Shaft	_____	_____	_____	_____
Bearing Housing	_____	_____	_____	_____
Fan	_____	_____	_____	_____
Coupling	_____	_____	_____	_____
Keyway	_____	_____	_____	_____
Brng. Cap	_____	_____	_____	_____
Grease Slinger	_____	_____	_____	_____
End Brkt Seal Area	_____	_____	_____	_____
Quil to Shaft Fit	_____	_____	_____	_____
Brng. to Quil	_____	_____	_____	_____

Remarks and Additional Information:

Inspector Comments:

EXHIBIT "A" **DEFINITIONS**

As used in this Agreement, the following terms have the meanings set out below:

"Agreement" means this contract between the Parties, including all exhibits, change orders, and any written amendments authorized by City Council and Contractor.

"City" is defined in the preamble of this Agreement and includes its successors and assigns.

"City Purchasing Agent" is defined as the person or duly authorized successor, authorized in writing to act for the City. The term includes, except as otherwise provided in this Contract, the authorized representative of the City Purchasing Agent acting within the limits of delegated authority.

"Contractor Administrator" means the representative of the Department who is responsible for the administration for the Contract.

"Contract Award Notice" means the official notification substantiated by the Notice to Proceed issued by the City Purchasing Agent to the Contractor.

"Contract Charges" means charges that accrue during a given month as defined in Article III.

"Contract Term" is defined in Article IV.

"Contractor" is defined in the preamble of this Agreement and includes its successors and assigns.

"Countersignature Date" means the date this agreement is countersigned by the City Controller.

"Director" means the Directors of each of the Departments or the City Purchasing Agent for the City, or the person he or she designates.

"Effective Date" is defined as date contract is countersigned by the City Controller.

"EI Tag": Shall mean a metallic strip, embossed with the Equipment Inventory (EI) number, attached to each piece of equipment.

"Equipment Inventory (EI) Number" Shall mean the unique, cradle-to-grave number called Equipment Inventory (EI) number used by MMS to identify each piece of equipment.

"Governing Body" means the Mayor and City Council of the City of Houston.

"Hazardous Materials" is defined in Article IIK (Environmental Laws).

"Notice to Proceed" means a written communication from the City Purchasing Agent to Contractor instructing Contractor to begin performance.

"Maintenance Management System (MMS)" Shall mean Wastewater Operations Division's Computerized Maintenance Management System (MMS) or other division's maintenance system which provides a database to manage work order process, and maintains historical data about performance and repair of equipment.

"(OEM)" Shall mean Original Equipment Manufacture.

"Parties" mean all the entities set out in the Preamble who are bound by this Agreement.

Fees and Cost

Year One Group I - Rewind Squirrel Cage Induction Motors, 3-Phase, 2300/4160 Volts

Item #	Description	Unit of Measure	Unit Price
1	HP 75 RPM 3600	Per Motor	\$1070.00
2	HP 75 RPM 1800	Per Motor	\$1010.00
3	HP 75 RPM 1200	Per Motor	\$1189.00
4	HP 75 RPM 900 or less	Per Motor	\$1470.00
5	HP 100 RPM 3600	Per Motor	\$2100.00
6	HP 100 RPM 1800	Per Motor	\$1999.00
7	HP 100 RPM 1200	Per Motor	\$2081.00
8	HP 100 RPM 900 or less	Per Motor	\$2300.00
9	HP 125 RPM 3600	Per Motor	\$2460.00
10	HP 125 RPM 1800	Per Motor	\$2225.00
11	HP 125 RPM 1200	Per Motor	\$2412.00
12	HP 125 RPM 900 or less	Per Motor	\$2700.00
13	HP 150 RPM 3600	Per Motor	\$2740.00
14	HP 150 RPM 1800	Per Motor	\$2492.00
15	HP 150 RPM 1200	Per Motor	\$2794.00
16	HP 150 RPM 900 or less	Per Motor	\$3100.00
17	HP 200 RPM 3600	Per Motor	\$3463.00
18	HP 200 RPM 1800	Per Motor	\$3150.00
19	HP 200 RPM 1200	Per Motor	\$3427.00
20	HP 200 RPM 900 or less	Per Motor	\$3575.00

21	HP 250 RPM 3600	Per Motor	\$4400.00
22	HP 250 RPM 1800	Per Motor	\$3778.00
23	HP 250 RPM 1200	Per Motor	\$4175.00
24	HP 250 RPM 900 or less	Per Motor	\$4700.00
25	HP 300 RPM 3600	Per Motor	\$5000.00
26	HP 300 RPM 1800	Per Motor	\$4449.00
27	HP 300 RPM 1200	Per Motor	\$4885.00
28	HP 300 RPM 900 or less	Per Motor	\$5542.00
29	HP 350 RPM 3600	Per Motor	\$5485.00
30	HP 350 RPM 1800	Per Motor	\$4868.00
31	HP 350 RPM 1200	Per Motor	\$5360.00
32	HP 350 RPM 900 or less	Per Motor	\$6100.00
33	HP 400 RPM 3600	Per Motor	\$5985.00
34	HP 400 RPM 1800	Per Motor	\$5400.00
35	HP 400 RPM 1200	Per Motor	\$5793.00
36	HP 400 RPM 900 or less	Per Motor	\$6596.00
37	HP 450 RPM 3600	Per Motor	\$6600.00
38	HP 450 RPM 1800	Per Motor	\$5895.00
39	HP 450 RPM 1200	Per Motor	\$6400.00
40	HP 450 RPM 900 or less	Per Motor	\$7100.00
41	HP 500 RPM 3600	Per Motor	\$6905.00
42	HP 500 RPM 1800	Per Motor	\$6500.00
43	HP 500 RPM 1200	Per Motor	\$7225.00

44	HP 500 RPM 900 or less	Per Motor	\$7600.00
45	HP 600 RPM 3600	Per Motor	\$9694.00
46	HP 600 RPM 1800	Per Motor	\$8431.00
47	HP 600 RPM 1200	Per Motor	\$9610.00
48	HP 600 RPM 900 or less	Per Motor	\$10960.00
49	HP 700 RPM 3600	Per Motor	\$10576.00
50	HP 700 RPM 1800	Per Motor	\$9197.00
51	HP 700 RPM 1200	Per Motor	\$10000.00
52	HP 700 RPM 900 or less	Per Motor	\$10925.00
53	HP 800 RPM 3600	Per Motor	\$11833.00
54	HP 800 RPM 1800	Per Motor	\$10268.00
55	HP 800 RPM 1200	Per Motor	\$11471.00
56	HP 800 RPM 900 or less	Per Motor	\$12906.00
57	HP 900 RPM 3600	Per Motor	\$13041.00
58	HP 900 RPM 1800	Per Motor	\$11295.00
59	HP 900 RPM 1200	Per Motor	\$12675.00
60	HP 900 RPM 900 or less	Per Motor	\$14068.00
61	HP 1000 RPM 3600	Per Motor	\$14127.00
62	HP 1000 RPM 1800	Per Motor	\$12104.00
63	HP 1000 RPM 1200	Per Motor	\$13659.00
64	HP 1000 RPM 900 or less	Per Motor	\$15000.00
65	HP 1250 RPM 3600	Per Motor	\$17235.00
66	HP 1250 RPM 1800	Per Motor	\$14422.00

67	HP 1250 RPM 1200	Per Motor	\$15990.00
68	HP 1250 RPM 900 or less	Per Motor	\$17500.00
69	HP 1500 RPM 3600	Per Motor	\$19860.00
70	HP 1500 RPM 1800	Per Motor	\$16466.00
71	HP 1500 RPM 1200	Per Motor	\$18232.00
72	HP 1500 RPM 900 or less	Per Motor	\$19987.00

Year One Group I - Recondition Squirrel Cage Induction Motors, 3-Phase, 2300/4160 Volts

Item #	Description	Unit of Measure	Unit Price
73	HP 75 RPM 3600	Per Motor	\$450.00
74	HP 75 RPM 1800	Per Motor	\$450.00
75	HP 75 RPM 1200	Per Motor	\$500.00
76	HP 75 RPM 900 or less	Per Motor	\$575.00
77	HP 100 RPM 3600	Per Motor	\$1000.00
78	HP 100 RPM 1800	Per Motor	\$900.00
79	HP 100 RPM 1200	Per Motor	\$950.00
80	HP 100 RPM 900 or less	Per Motor	\$1050.00
81	HP 125 RPM 3600	Per Motor	\$1120.00
82	HP 125 RPM 1800	Per Motor	\$1015.00
83	HP 125 RPM 1200	Per Motor	\$1050.00
84	HP 125 RPM 900 or less	Per Motor	\$1150.00
85	HP 150 RPM 3600	Per Motor	\$1450.00
86	HP 150 RPM 1800	Per Motor	\$1200.00
87	HP 150 RPM 1200	Per Motor	\$1200.00

88	HP 150 RPM 900 or less	Per Motor	\$1300.00
89	HP 200 RPM 3600	Per Motor	\$1900.00
90	HP 200 RPM 1800	Per Motor	\$1500.00
91	HP 200 RPM 1200	Per Motor	\$1800.00
92	HP 200 RPM 900 or less	Per Motor	\$2046.00
93	HP 250 RPM 3600	Per Motor	\$2160.00
94	HP 250 RPM 1800	Per Motor	\$1879.00
95	HP 250 RPM 1200	Per Motor	\$2142.00
96	HP 250 RPM 900 or less	Per Motor	\$2400.00
97	HP 300 RPM 3600	Per Motor	\$2300.00
98	HP 300 RPM 1800	Per Motor	\$2015.00
99	HP 300 RPM 1200	Per Motor	\$2200.00
100	HP 300 RPM 900 or less	Per Motor	\$2500.00
101	HP 350 RPM 3600	Per Motor	\$2468.00
102	HP 350 RPM 1800	Per Motor	\$2146.00
103	HP 350 RPM 1200	Per Motor	\$2400.00
104	HP 350 RPM 900 or less	Per Motor	\$2690.00
105	HP 400 RPM 3600	Per Motor	\$2700.00
106	HP 400 RPM 1800	Per Motor	\$2350.00
107	HP 400 RPM 1200	Per Motor	\$2600.00
108	HP 400 RPM 900 or less	Per Motor	\$2950.00
109	HP 450 RPM 3600	Per Motor	\$2900.00
110	HP 450 RPM 1800	Per Motor	\$2500.00