

# CITY OF OBERLIN, OH

## ORDINANCE No. 17-63 AC CMS

AN ORDINANCE DETERMINING THAT A REAL AND PRESENT EMERGENCY EXISTS IN THE OBERLIN MUNICIPAL LIGHT AND POWER SYSTEM DEPARTMENT AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH OTC SERVICES, INC. OF LOUISVILLE, OHIO, TO REBUILD A FAILING MAIN PLANT SUBSTATION TRANSFORMER AND DECLARING AN EMERGENCY

WHEREAS, the City owns, operates and maintains the Oberlin Municipal Light and Power System Department to supply light and power to the citizens of Oberlin; and

WHEREAS, one of three main substation transformers is failing and the City will be unable to meet peak flow demand in June of 2018 unless the transformer is replaced or rebuilt; and,

WHEREAS, the anticipated time for the manufacture and installation of a new transformer is twenty-six weeks and the estimated time for the rebuilding of the existing transformer is eighteen weeks.

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Oberlin, County of Lorain, State of Ohio, five-sevenths (5/7ths) of all members elected thereto concurring:

SECTION 1. That under the provisions of Section 735.051 of the Ohio Revised Code it is hereby declared and determined that a real and present emergency exists in the Oberlin Municipal Light and Power System Department due to the failure of a main plant substation transformer which must be replaced prior to the peaking season beginning in June of 2018 requiring immediate authority for the City Manager to enter into an agreement without advertisement or competitive bidding for the removal, rebuilding, rewinding and reinstallation of the main plant substation transformer.

SECTION 2. That subject to Law Director final approval, the City Manager is hereby authorized and directed to enter into a contract with the OTC Services, Inc. of Louisville, Ohio to remove, rebuild, rewind and reinstall the main plant substation transformer in an amount not to exceed \$253,695.

SECTION 3. It is hereby found and determined that all formal actions of this Council concerning or relating to the adoption of this ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 4. That this ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the citizens of the City of Oberlin, Ohio or to provide for the usual daily operation of a municipal department, to wit: to facilitate the timely removal, rebuilding, rewinding and reinstallation of the main plant substation transformer in time for the peaking season beginning in June of 2018 so as to ensure the continuous


supply of light and power services to the citizens of Oberlin and shall take effect immediately upon passage.


PASSED: 1<sup>st</sup> Reading: December 18, 2017(E)

2<sup>nd</sup> Reading: \_\_\_\_\_

3<sup>rd</sup> Reading: \_\_\_\_\_

ATTEST:

  
\_\_\_\_\_  
BELINDA B. ANDERSON, MMC  
CLERK OF COUNCIL

  
\_\_\_\_\_  
RONNIE J. RIMBERT  
PRESIDENT OF COUNCIL

POSTED: 12/19/2017

EFFECTIVE DATE: 12/18/2017

Proposal for:

# Oberlin Municipal Light & Power

ATTN:

**Mr. Drew Skolnicki**

OTC Contact:

Joe Faherty

Phone: 330-807-0374

Email: [jfaherty@otcservices.com](mailto:jfaherty@otcservices.com)

OTC Proposal Reference

Number: 17311R1

Date: 12/12/17



## Powering your transformer needs

with experience,  
craftsmanship, and  
technology



OTC SERVICES QUOTE NUMBER: 17311R1

SERIAL NUMBER: A5612

TECHNICAL DESCRIPTION:

OEM: RTE/ASEA

10/14 MVA @ 55/65°C Rise

Class: OA/FA

3 Phase

60 Hertz

HV: 67,000

350 kV BIL

Taps: +/- 2 @ 2.5%

LV: 12,470Y/7,200

110 kV BIL

%I: 7.08 @ 10 MVA

## I. TRANSPORTATION, RIGGING, AND FIELD SERVICE

**\$4,090** – Price for inbound freight from Oberlin Municipal’s substation to OTC Services in Louisville, OH less oil via truck. Price includes truck for accessories. Free and clear access must be provided for loading purpose; any delays may result in additional charges.

**\$6,380** – Price for on-site crane services for loading of transformer and placing onto the trailer. Free and clear access must be provided (35 ft.). If Jack and slide is required additional charges will apply.

Field Service to perform disassembly and shipment preparation in conjunction with previous internal inspection project.

**\$4,310** – Price for outbound freight from OTC Services to Oberlin Municipal’s substation oil filled via truck. Free and clear access must be provided for unloading purpose; any delays may result in additional charges. Price includes truck for accessories.

**\$7,480** – Price for on-site crane services for unloading of transformer and placing onto the pad. Free and clear access must be provided (35 ft.). If Jack and slide is required additional charges will apply.

**\$17,000** – **Field Service** to install HV bushings, and perform final acceptance testing. This install will be performed by OTC Services’ Field Service department.

## II. REFURBISHMENT AND REWIND SERVICES OPTIONS

**\$175,500** – Complete Redesign & Rewind of core and coil assembly according to the latest ANSI/IEEE standards. Rewind will include replacement of all windings with copper conductor. All end insulation, phase barriers and winding cylinders will be replaced with new, supplied by Weidmann. All ancillary items will be inspected at time of receipt and quoted as adders to the base price if necessary. See “Rewind Technical Work-scope Section” for further details regarding the repair process. Transformer will be prepped, primed and painted. Transformer will be pressure tested and all gaskets will be replaced.

**Lead Time: 18-20 Weeks after receipt of unit.**

**OPTIONS:**

**\$3,000**-New nitrogen system

**\$2,800**-New Qualitrol gauge package (PRD, liquid temp. gauge, liquid level gauge, winding temp. gauge, pressure gauge)

**\$3,300**-New Schweitzer 2414 transformer monitor

**\$21,060**-5 year warranty (active part)

**III. CLARIFICATIONS AND EXCEPTIONS**

1. An incoming inspection report will be completed and submitted within two to three weeks of receipt of the transformer. Any additional scope of work resulting from this inspection will require a separate purchase order or change order from the customer.
2. Lead time based on a one week response to incoming/adder report.
3. Quote based on supplied nameplate data. If upon inspection and preliminary design additional materials or labor are needed for the quality assurance of the transformer, an additional cost may apply.

**IV. PCB POLICY AND REQUIREMENTS**

OTC Services is a NON-PCB facility and will not accept materials classified as PCB or PCB contaminated according to 40CFR part 761. Therefore, we require a recent valid PCB test for any oil filled compartment on which work is to be performed. If required, OTC will provide free testing upon the successful award of this bid. Upon receipt of the transformer at our facility, OTC will perform confirmatory testing. In the event PCB or PCB contaminated materials are discovered by OTC either at receipt or during the production process, OTC will quarantine the items and immediately notify the owner so that arrangements can be made for their removal. "Any oil with a detectable PCB content of 2 ppm or greater will be immediately scrapped upon arrival."

**V. PRICING AND WARRANTY TERMS**

Price Validity: 60 days for purchase

Freight: FOB Site

Payment: 25% with PO, 25% with materials ordered, 50% upon completion of factory testing. Net 30 days

No Sales or use taxes have been calculated on any of the pricing provided. The Customer will be responsible for any taxes associated with the purchase of this service contract or shall supply a tax-exempt certificate for our records.

Transportation/Field Services payment: Invoiced upon completion, net 30 days

**Warranty: 12 months energized – 18 months from time of shipment on parts and labor provided by OTC Services.**

## **VI. REWIND TECHNICAL WORK-SCOPE**

### **TANK & ACCESSORIES**

1. The tap changers (DETC) switch will be cleaned, inspected for defective or worn parts, and checked for proper operation and alignment. This does not include switch removal, disassembly, or contact replacement except to the extent necessary to perform a proper inspection.
2. All CT's within the tank and all other auxiliary windings within the tank will be flushed, cleaned, dried, and tested.
3. All lead cable and structure will be inspected for reuse. Small defects will be repaired as needed.
4. The tank, radiators, and valves will be inspected and checked for deterioration and leaks.
5. All filter press valves will be replaced.
6. All gauges, SPR, and PRD will be tested and inspected during the incoming inspection.
7. All bushings will tested and inspected during the incoming inspection.
8. Pumps and Coolers to be inspected and tested during the incoming inspection.
9. All gaskets used for air or oil seal will be replaced.
10. Prior to re-tanking the core and coil assembly, the tank will be thoroughly flushed, cleaned and dried.
11. The tank will be properly primed and painted ANSI 70.
15. Install PELSUE fall arrest bracket to lid of transformer.

## **VII. PROCESSING & CORE/COIL ASSEMBLY**

1. The completed core and coil assembly will be thoroughly dried through the use of heat and vacuum.
2. The core will be cleaned prior to landing of the coils.
3. All cores will be re-insulated with core grounds. All grounds will be brought to the underside of the main lid for easy access in the field and enclosed in an external box which will be clearly labeled.

## VIII. TESTING

All tests performed on the transformer shall be in accordance with the latest revision of ANSI/IEEE specifications (ANSI C57.12.00, ANSI C57.12.90)

1. **Oil Testing:** Full oil quality testing along with a baseline DGA are performed prior to any testing. Confirmatory DGA testing is also performed after dielectrics.
2. **Ratio:** Ratio tests are made between windings several times during reassembly and at final testing. Final testing will be made at all HV positions to neutral and from HV nominal to all LV tap positions.
3. **Insulation Resistance:** Insulation resistance, including core ground testing, is performed on all core and coil assemblies throughout the manufacturing process as well as final test. Measured core ground resistance shall exceed 100 megohms.
4. **Dew Point:** Prior to shipment, the dew point, temperature, and press of the dry air will be measured.
5. **Insulation Power Factor and Single-Phase Excitation:** Tests are made with a Doble test set and are performed before and after dielectrics. Power Factor will not exceed 0.5% corrected to 20°C.
6. **Winding Resistance:** Resistance tests are performed on all HV and LV tap positions.
7. **No Load Tests:** Core loss and excitation current are tested at rated frequency at 100% and 110% rated voltage before and after dielectrics.
8. **Impedance and Load Loss:** Tested at full rated current on rated connection and tap extremes between all windings.
9. **Impulse Testing:** Full ANSI impulse including chop waves will be performed on each phase of the HV and LV windings according to the nameplate BIL. The neutral will also be tested with one reduced and two full wave shapes.
10. **Induced Potential:** The transformer will undergo a Class II induced test to include one hour at 150% while monitoring PD with levels.
11. **Applied Potential:** Test is made on all windings at full ANSI recommended level, 60HZ for one minute.

12. **Bushing Tests:** Bushings are individually tested with a Doble test set prior to final assembly. After the bushings are mounted on the transformer, they will receive full dielectric tests.
13. **Sweep Frequency:** This test will be conducted after all tests are completed with the unit full of oil and the bushings installed. A Doble test set will be used and all files will be submitted electronically.
14. A certified test report will be supplied which includes results of all the tests performed and winding connections as shipped.



IN WITNESS WHEREOF, the parties hereto have their respective officers who are duly authorized to execute this Agreement below.

**CITY OF OBERLIN**

Date: 12/26/2017

By: [Signature]

Name Robert Hillard

Title City Manager

**OTC SERVICES, INC.**

Date: 12/28/2017

By: [Signature]

Name Joseph T. Faherty

Title Utility Sales Manager

APPROVED AS TO FORM

Date: 12/22/17

[Signature]  
Jon D. Clark, Oberlin City Law Director

## GENERAL TERMS AND CONDITIONS OF SALE

The Terms and Conditions of Sales set forth herein, and Supplements which may be attached hereto (collectively "Agreement"), constitute the full and final expressions of the contract for repairing, and/or refurbishing equipment (hereinafter referred to as the "Equipment") and/or providing services (hereinafter referred to as the "Services"), as described in the quotation between OTC Services (hereinafter referred to as "Seller") and the Customer and supersedes all prior quotations, purchase orders, correspondence or communications whether written or oral between the Seller and the Customer notwithstanding any contrary language in the Customer's purchase order or other acceptance. Customer shall be bound by these Terms and Conditions of Sales when it returns a purchase order or otherwise indicates acceptance of this contract, or when it accepts delivery from Seller of the Equipment or agrees to have Seller proceed with Services.

**ACCEPTANCE OF THE CONTRACT IS EXPRESSLY LIMITED TO ACCEPTANCE OF THE TERMS AND CONDITIONS OF SALES AS SET FORTH IN THE ABOVE PARAGRAPH AND ANY ADDITIONAL OR DIFFERENT TERMS PROPOSED BY CUSTOMER ARE REJECTED UNLESS EXPRESSLY AGREED TO IN WRITING BY SELLER.**

No contract shall exist except as herein provided. No statement, representation or warranty not contained herein shall be binding on the Seller unless made in writing by an officer or other authorized representative of the Seller. Prior dealing, usage of the trade or a course of performance shall not be relevant to determine the meaning of this agreement even though the accepting or acquiescing party had knowledge of the nature of the performance and opportunity for objection. Whenever a term defined by the Uniform Commercial Code is used herein, the definition contained in the Code shall apply.

### 1. Orders

All orders are subject to acceptance by an authorized representative of Seller, OTC Services, Louisville, OH. The prices, charges, discounts, terms of sale and other provisions referred to or contained in this Agreement shall apply to any and all Equipment and Services as listed on the accompanying sales order.

### 2. Inspection and Acceptance of Products

Customer agrees that it shall inspect the Equipment immediately after receipt and promptly (in no event later than fifteen (15) days after receipt) notify Seller in writing of any claimed non-conformity or defect. Customer further agrees that failure to give such prompt notice, or the initial energization of the equipment ("Delivery Date") shall constitute acceptance. The giving of any such notice by Customer shall automatically cause the provisions of Seller's warranty to apply and govern the rights, obligations and liabilities of the parties with respect to such claimed non-conformity or defect. Under no circumstances shall rejection give rise to any liability of Seller for incidental or consequential damages Seller does not guarantee that it will accept returned goods. Customer is responsible risk of loss until the returned equipment is delivered to and accepted at Seller's place of business.

### 3. Warranty

Seller warrants that equipment delivered by it will be of the kind and quality described in the order or contract accepted by Seller, and will be free of material defects in workmanship and material supplied by Seller as of the delivery date, which warranty, unless extended, shall be effective for a period of **twelve (12) months** for repaired and refurbished equipment, or for a period of sixty (60) months for new equipment (the "Equipment Warranty Period"). Seller further warrants that the Services provided by it will be of the kind and quality described in the order or contract accepted by Seller and will be free of material defects in workmanship as of the date of completion of the performance of the Services and for a period of twelve (12) months for any parts supplied by and Services performed by Seller (the "Services Warranty Period") (collectively the "Warranty Period"). Should any failure to conform to this warranty appear within the Warranty Period, Customer shall provide Seller prompt written notification thereof within five (5) business days after first knowledge of such nonconformance, which notice shall include substantiation that the Equipment that is the subject of such warranty claim has been stored, installed, operated and maintained in accordance with Seller's recommendations and standard industry practice. Seller shall correct such nonconformities, at its option, either by repairing any defective part or parts or by supplying a repaired or replacement part or parts F.O.B. destination, Oberlin Ohio. In no event shall Seller's liability for warranty of parts which are not manufactured by Seller, be greater than the warranty liability assumed by the supplier or manufacturer of such component parts.

In no event shall it be the responsibility of the Seller to ensure and/or provide access to the equipment for the purpose of repairing any claimed defect, nor shall Seller be responsible for the removal, disassembly, replacement or reinstallation of any equipment, materials or structures to the extent necessary to permit Seller to perform its warranty obligations. It shall be the responsibility of the Customer to ensure and provide access for Seller to repair any defect and shall be the responsibility and expense of the Customer to facilitate the removal, disassembly, replacement, or reinstallation of any equipment. If Customer wants to test an item to determine if a problem is covered by warranty, the conditions of any tests shall be mutually agreed upon and Seller shall be notified of, and may be present at, all tests that may be made.

The foregoing warranties are valid only if the Equipment is stored, installed, operated and maintained in accordance with all reasonable instructions of Seller and with standard industry practice. The foregoing warranties will not apply to defects that result from misuse, alteration, abuse, negligence, accident, acts of God, sabotage, improper assembly, installation, application, circuit protection, maintenance, or repair of the Equipment by Customer or others. The warranties also will not apply if, without Seller's consent, the Equipment is subjected to tests other than those specified by Seller. The warranties shall not apply to Equipment or parts thereof which have been altered or repaired outside of Seller's place of business, without prior written authorization. Should Customer elect not to implement the full scope of repairs or services recommended by Seller, Seller makes no warranty and assumes no liability for any subsequent failure of such Equipment. Maintenance and ordinary wear and tear of parts are not covered by this warranty and are the sole maintenance responsibility of Customer.

THE WARRANTIES SET FORTH IN THIS PROVISION ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES WHETHER STATUTORY, EXPRESS OR IMPLIED (INCLUDING ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE AND ALL WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE). THE REMEDIES PROVIDED ABOVE ARE THE CUSTOMER'S SOLE REMEDIES FOR ANY FAILURE OF OTC SERVICES TO COMPLY WITH ITS OBLIGATIONS. CORRECTION OF ANY NON-CONFORMITY IN THE MANNER AND FOR THE PERIOD OF TIME PROVIDED ABOVE SHALL CONSTITUTE COMPLETE FULFILLMENT OF ALL THE LIABILITIES OF SELLER WHETHER THE CLAIMS OF THE CUSTOMER ARE BASED IN CONTRACT, IN TORT, (INCLUDING NEGLIGENCE) OR OTHERWISE WITH RESPECT TO OR ARISING OUT OF THE EQUIPMENT FURNISHED HEREUNDER.

### 4. Limitations of Liability and Indemnities

(a) THE CUSTOMER AND SELLER AGREE THAT ANY ACTION IN RELATION TO AN ALLEGED BREACH OF THE AGREEMENT SHALL BE COMMENCED NO LATER THAN THE DATE OF THE EXPIRATION OF THE EQUIPMENT WARRANTY PERIOD WITHOUT REGARD TO THE DATE THE BREACH IS DISCOVERED. ANY ACTION NOT BROUGHT WITHIN THE WARRANTY TIME PERIOD SHALL BE BARRED WITHOUT REGARD TO ANY OTHER LIMITATIONS PERIOD SET FORTH BY ANY LAW OR STATUTE.

(b) Unless otherwise agreed in writing by a duly authorized representative of Seller, Equipment sold hereunder is not intended for use in connection with any nuclear facility or activity. If so used, Seller disclaims all liability for any nuclear damage, injury or contamination, and Customer shall indemnify, hold harmless, and defend Seller against any such liability, whether as a result of breach of contract, warranty, tort (including negligence) or otherwise.

(c) In no event, whether as a result of breach of contract, warranty, tort (including negligence) or otherwise, shall Seller or its suppliers be liable for any special, consequential, incidental, punitive, or penal damages including, but not limited to, loss of profit or revenues, loss of use of the products or any associated equipment, damage to associated equipment, cost of capital, cost of substitute products, facilities, services or replacement power, downtime costs, or claims of Customer's customers for such damages, even if Seller is advised or should have known of the possibility of such damage or loss. If Customer transfers title to or leases the item repaired and/or refurbished by Seller, or serviced or otherwise sold to Customer by Seller, to any third party, Customer shall obtain from such third party a provision affording Seller and its suppliers the protection of the preceding sentence.

(d) If Seller furnishes Customer with advice or other assistance which concerns any Equipment supplied or Service provided hereunder or any system or equipment in which any such Equipment may be installed or incorporated, or for which the Services are provided and which is not required pursuant to this agreement, the furnishing of such advice or assistance will not subject Seller to any liability, whether in contract, warranty, tort (including negligence) or otherwise.

(e) The invalidity, in whole or part, of any of the foregoing paragraphs will not affect the remainder of such paragraph or any other paragraph in this article.

#### **5. Penalty or Liquidated Damages**

Contracts which include Penalty or Liquidated damage clauses for failure to meet shipping promises are not acceptable or binding on Seller unless such clauses are specifically accepted in writing by an authorized representative of Seller.

#### **6. Disclosure of Information**

Any information, suggestions or ideas transmitted by Customer to Seller in connection with performance hereunder are not to be regarded as secret or submitted in confidence except as may be otherwise provided in writing signed by a duly authorized representative of Seller.

#### **7. Taxes**

Unless otherwise noted, prices quoted do not include taxes or duties or any kind or nature. In addition to any price specified herein, Customer shall pay the gross amount of any present or future sales, use, excise, value-added, or other similar tax applicable to the price, sale or delivery of any products or services furnished hereunder or to their use by Seller or Customer, or, in lieu of payment, Customer shall furnish Seller with a tax exemption certificate satisfactory to the applicable taxing authority proving that no such tax is due and payable upon such sale, transfer, or use.

#### **8. Modification, Cancellation, or Deferment by Customer**

Orders or purchase contracts may be modified or canceled, and scheduled shipments may be deferred, only upon Customer's written notice and upon confirmation in writing by Seller's revised acknowledgement, and upon terms, satisfactory to Seller, which compensate Seller for all damages suffered by reason of such modification, cancellation, or deferment. Any modification, cancellation, or deferment hereunder shall become effective no earlier than fifteen (15) days after receipt of such notice. In the event Customer causes a delay to, or change in the delivery date, Seller remains entitled to require payment on all dates contractually agreed upon in the original sales contract irrespective of any change in delivery date.

#### **9. Drawing Approval**

Drawing Approval by Customer is intended to assure the Customer that Seller has designed the product as described and detailed in the Customer's specification. If at Drawing Approval, Customer informs Seller that Seller has failed to design the product in line with the Customer's specification, Seller will make the appropriate changes at no charge to Customer. Where Customer's specifications are not definitive, Seller reserves the right to design the product in line with, in Seller's judgment, good commercial practice. If at Drawing Approval, the Customer makes changes outside of the design as covered in Customer's specifications, Seller will then be reimbursed reasonable charges and allowed a commensurate delay in shipping date based on the changes involved. Seller shall give Customer ten (10) days' advance notice of a Drawing Approval Date. Failure by Customer to review drawings and appear at the scheduled Drawing Approval shall be deemed to be a waiver by Customer of any claim of failure by Seller to design the product in line with the Customer's specification.

#### **10. Delivery, Shipment, Title and Risk of Loss**

Delivery dates are approximate and are based upon prompt receipt of all necessary information from Customer. All shipments are F. O. B. destination unless stated otherwise on the quote. Risk of loss or damage to new Equipment shall pass to Customer at the F. O. B. point of destination. Risk of loss or damage to repaired or refurbished Equipment, including Equipment stored at Seller's facility, shall remain with Customer, excluding any new parts that Seller installs or provides. **Excusable Delays**

Seller shall not be liable for any damages suffered by Customer by reason of delay in delivery or performance, or for failure to manufacture, deliver or perform, due to (I) a cause beyond Seller's reasonable control, or (II) an act of God, act of Customer, act of civil or military authority, Governmental priority, strike, or other Labor disturbance, flood, epidemic, war, riot, delay in transportation or transportation availability, or transportation vehicle shortage, or (III) inability on account of a cause beyond the reasonable control of Seller to obtain necessary materials, components, services, or facilities. Seller will notify Customer promptly of any material delay excused by this article and will specify the revised delivery date as soon as practicable. In the event of any such delay, there will be no termination and the date of delivery or of performance shall be extended for a period equal to the time lost by reason of the delay.

#### **11. Payments and Financial Condition**

Except to the extent otherwise specified by Seller in its quotation, pro rata payments shall become due without set off as shipments are made. If Seller consents to delay shipments after completion of any product, payment shall become due on the date when Seller is prepared to make shipment. In the event of any such delay, title shall pass on the original shipping date and products shall be held at Customer's risk and expense, and shall be subject to superior lien rights of Seller to secure any payments due Seller for the equipment or services rendered and to be rendered pursuant to the purchase order. Any order for products by Customer shall constitute a representation that Customer is solvent and it has all requisite right, power, and authority to perform its obligations under this agreement. In addition, upon Seller's request, Customer will furnish a written representation concerning its solvency and/or its right, power, and authority to perform its obligations at any time prior to shipment. If Customer's financial condition at any time does not justify continuance of the work to be performed by Seller hereunder on the agreed terms of payment Seller may require full or partial payment in advance. In the event of Customer's bankruptcy or insolvency or in the event any proceeding is brought against Customer, voluntarily or involuntarily, under the bankruptcy or any insolvency laws, Seller shall be entitled to cancel any order then outstanding at any time during the period allowed for filing claims against the estate and shall receive reimbursement for its proper cancellation charges. Seller's rights under this article are in addition to all rights available to it at law or in equity.

**12. Terms of Payment**

Standard terms are net within thirty (30) days from date of invoice with Customers in the continental U.S. For Customers outside the continental U.S., full payment is due prior to shipment.

**13. Accelerated or Delayed Payments**

There will be no reduction in price for payments more favorable to Seller than the standard terms. If payments are not made in conformance with the standard terms, the quoted price shall, without prejudice to the right of Seller to immediate payment, be increased by an amount equal to the lesser of one and one-half (1-1/2%) percent per month, or fraction thereof, on the unpaid balance or the highest legal rate allowed by law. In addition to its right of acceleration, Seller may pursue any and all remedies allowed by law or in equity, including but not limited to any and all remedies available to it under the Ohio Uniform Commercial Code. In addition to the foregoing, and not in limitation thereof, Seller shall have the right to set off any credits or amounts owed to Customer against any amounts owed by Customer to Seller.

**14. Prices**

All published prices and discounts are subject to change without notice. Written quotations expire thirty (30) calendar days from the date of quotation unless withdrawn sooner. Verbal quotations expire twenty-four (24) hours after they are made. Seller assumes no liability for import duties or other taxes imposed by any foreign country.

**15. Storage**

At Seller's discretion, Seller may initiate storage fees of \$0.20/kVA per month for inside storage of Equipment and \$500 per month for outside storage of Equipment at Seller's premises when; 1) Customer delays pickup or shipment of Equipment for more than 30 days after completion, or 2) Customer does not issue a revised purchase order authorizing work within 30 days of receipt of an incoming inspection report. Storage Fees will include rental of space at the rate herein, plus the costs, expenses and labor to transport, preserve and prepare the Equipment for storage. These storage fees and costs associated with them shall be in addition to the agreed upon fee for service entered into by Seller and Customer. Upon the commencement of storage charges, Seller shall have a lien upon the Equipment for storage charges, as permitted under Title 13, Chapter 1307, or other provisions of the Ohio Revised Code. Seller shall be entitled to exercise all remedies allowed by law for the collection of storage charges, including the right to sell the Equipment at public or private sale after storage of 180 days without any liability or responsibility to Customer whatsoever.

In the event Seller performs Services at Customer's facility, Seller, in its discretion, may store equipment and tools at Customer's facility for the duration of the Services performed. Under no circumstances shall Customer, its employees or agents have any right to use the tools and equipment of Seller for any purpose, other than those specifically contracted for in writing. Customer warrants it will protect such tools and equipment of Seller stored at Customer's facility from loss, damage or destruction of any kind for the duration of the Services performed by Seller in the same manner as Customer protects its own property.

**16. Insurance**

Customer agrees to maintain insurance on equipment and product provided by Seller to fully compensate Customer for all damages and loss, including profit for any and all loss to said equipment and product that is not a result of Seller's negligence.

**17. Weights and Dimensions**

Published weights are actual or careful estimates, but are not guaranteed. The dimensions in catalogs are normally accurate but are not to be used for construction.

**18. Waiver**

The failure of Seller to insist, in any one or more instances, upon the performance of any of the terms or conditions of this Agreement or the failure of Seller to exercise any of its rights hereunder shall not be construed as a waiver or relinquishment of any such term, condition, or right hereunder and shall not affect the Seller's right to insist on strict performance and compliance with regard to any unexcused portions of this Agreement or future performance of these terms and conditions.

**19. Jurisdiction and Venue**

This Agreement shall be interpreted under the laws of the State of Ohio. Any litigation under this Agreement shall be commenced and resolved in the trial courts of Lorain County, Ohio. **Severability Clause**

If any provision of the Agreement is held unenforceable, then such provision will be modified to reflect the parties intention. All remaining provisions of the Agreement shall remain in full force and effect.

**20. Electronic Signatures**

By entering into this Agreement, Customer and Seller are representing to the other that each can and will comply with the Ohio Uniform Electronic Transfer Act by retaining any and all electronic authorizations that are part of this transaction. Further, upon the request of either party for any part of the transaction or the entire transaction, the parties agree to provide original signatures, facsimile signatures, digitally scanned signatures and/or some other type of verifiable signature upon request.

**21. Assignment**

No rights arising under this agreement may be assigned by the Customer unless expressly agreed to in writing by the Seller.

**22. Equal Opportunity**

Seller shall comply with all applicable laws and regulations relating to labor, equal opportunity, discrimination, disabilities, and affirmative action.

**The above constitutes the entire agreement between the parties and no modifications of the terms thereof shall be effective unless in a writing signed by both parties.**