

# **City of Fort Collins**

## **Bid Proposal**

### **TRANSFORMER REPAIR BID 5786**

**BID DATE: 2:00PM (Our clock ) May 15, 2003**

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## Administrative Services

### Purchasing Division

#### CITY OF FORT COLLINS INVITATION TO BID BID #5786

Sealed bids will be received and publicly opened at the office of the Director Of Purchasing and Risk Management, PO Box 580, 215 North Mason St., 2nd floor, Fort Collins, Colorado 80524, at the time and date noted on the bid proposal and/or contract documents. If delivered, they are to be delivered to 215 North Mason Street, 2<sup>nd</sup> Floor, Fort Collins, Colorado 80524. If mailed, the address is P.O. Box 580, Fort Collins, 80522-0580.

**Bids must be received at the Purchasing Office prior to 2:00p.m. (our clock), May 15, 2003.**

#### Special Instructions

All bids must be properly signed by an authorized representative of the company with the legal capacity to bind the company to the agreement. Bids may be withdrawn up to the date and hour set for closing. Once bids have been accepted by the City and closing has occurred, failure to enter into contract or honor the purchase order will be cause for removal of supplier's name from the City of Fort Collins' bidders list for a period of twelve months from the date of the opening. The City may also pursue any remedies available at law or in equity. Bid prices must be held firm for a period of forty-five (45) days after bid openings.

Submission of a bid is deemed as acceptance of all terms, conditions and specifications contained in the City's specifications initially provided to the bidder. Any proposed modification must be accepted in writing by the City prior to award of the bid.

Only bids properly received by the Purchasing Office will be accepted. All bids should be clearly identified by the bid number and bid name contained in the bid proposal.

No proposal will be accepted from, or any purchase order awarded, to any person, firm or corporation in default on any obligation to the City.

Bids must be furnished exclusive of any federal excise tax, wherever applicable.

Bidders must be properly licensed and secure necessary permits wherever applicable.

Bidders not responding to this bid will be removed from our automated vendor listing for the subject commodities.

The City may elect where applicable, to award bids on an individual item/group basis or on a total bid basis, whichever is most beneficial to the City. The City reserves the right to accept or reject any and all bids, and to waive any irregularities or informalities.

Sales prohibited/conflict of interest: no officer, employee, or member of City Council, shall have a financial interest in the sale to the City of any real or personal property, equipment, material, supplies or services where such officer or employee exercises directly or indirectly any decision-making authority concerning such sale or any supervisory authority over the services to be rendered. This rule also applies to subcontracts with the City. Soliciting or accepting any gift, gratuity, favor, entertainment, kickback or any items of monetary value from any person who has or is seeking to do

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business with the City of Fort Collins is prohibited.


Freight terms: unless otherwise noted, all freight is F.O.B. Destination, Freight Prepaid. All freight charges must be included in prices submitted on proposal.

Discounts: any discounts allowed for prompt payment, etc., must be reflected in bid figures and not entered as separate pricing on the proposal form.

Purchasing restrictions: your authorized signature of this bid assures your firm's compliance with the City's purchasing restrictions. A copy of the resolutions are available for review in the Purchasing Office or the City Clerk's Office. Request Resolution 91-121 for cement restrictions.

Collusive or sham bids: any bid deemed to be collusive or a sham bid will be rejected and reported to authorities as such. Your authorized signature of this bid assures that such bid is genuine and is not a collusive or sham bid.

Bid results: for information regarding results for individual bids send a self-addressed, self-stamped envelope and a bid tally will be mailed to you. Bid results will be posted in our office 7 days after the bid opening.



James B. O'Neill II, CPPO, FNIGP  
Director of Purchasing and Risk Management

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FIRM NAME: \_\_\_\_\_

**CITY OF FORT COLLINS  
BID PROPOSAL  
BID NO. 5786  
BID DATE: 2:00 p.m. (Our clock) May 15, 2003**

We hereby enter our bid for the City of Fort Collins' requirements for **TRANSFORMER REPAIR** for one calendar year (June 1, 2003 to June 30, 2004 with an option by the City of Fort Collins to renew up to four additional years) per the bid invitation and any referenced specifications: Specification No: 368-595, (consisting of 13 pages).

Bid Proposal Form consists of:

- Schedule I-A
- Schedule I-B
- Schedule II-A
- Schedule II-B
- Schedule III
- Schedule IV
- Schedule V

These Bid Proposal schedules are included as Page 7 through 13 of Specification 368-595, Rev. B and shall be returned with this page of the bid proposal.

In addition, your bid shall include:

- 1) Include a list of testing equipment utilized by your firm.
- 2) All items requested in paragraph 2.1 of Specification 368-595, Rev. B.

Clarification: Please include the approximate number of transformers your firm repaired in

2001 - \_\_\_\_\_

2002 - \_\_\_\_\_

ADDRESS: \_\_\_\_\_

\_\_\_\_\_

TELEPHONE: \_\_\_\_\_

FAX: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

TITLE: \_\_\_\_\_

**PLEASE BE SURE THAT YOU HAVE INCLUDED ALL ATTACHMENTS REQUIRED WITH THIS BID PROPOSAL.**

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BID NO. 5786

**SUPPLEMENTAL INSTRUCTIONS**

Prices quoted must remain firm for a 30 day period after the opening date.

Freight terms: F.O.B. destination freight prepaid. All freight charges must be included in pricing submitted on proposal and not entered as separate pricing.

Any discount allowed by Vendor for prompt payment, etc. must be reflected in quoted figure, and not entered as separate pricing.

The City reserves the right to accept or reject any and all quotes.

Bidder not responding to the services requested in this bid shall be removed from our automated listing for: Not Applicable

Any questions or inquiries regarding this bid should be directed to:

Opal F. Dick, CPPO, Senior Buyer  
(970) 221-6778

---

SIGNATURE AND TITLE

TYPED OR PRINTED NAME AND TITLE

---

COMPANY NAME

(AREA CODE) TELEPHONE NUMBER/FAX NUMBER

---

ADDRESS: STREET, CITY, STATE, ZIP


DATE

THE CITY OF FORT COLLINS

Light and Power Department  
P.O. Box 580  
Fort Collins, CO 80522

SPECIFICATION NO: **368-595**  
**Transformer Repair**

APPROVED BY:

  
Kraig Bader  
Standards Engineering Manager

DATE ORIGINATED: August 23, 1990

DATE REVISED: April 22, 2003

## Revision Record

REVISION DESCRIPTION	CHANGE NOTICE	APPROVED BY:
<p>Rev. A:</p> <ul style="list-style-type: none"> <li>• Cover page: add dates and file name</li> <li>• Para. 3.2: change from 2 to 4 yr renewal</li> <li>• Para. 3.3: Add "in case of conflict" statement</li> <li>• Add Para. 3.5, Payment</li> <li>• Para. 4.1: Add right to refuse uncertified PCB- free units</li> <li>• Para. 4.2: Split minor repairs and rewind into separate paragraphs</li> <li>• Bid proposal forms: Ed.</li> </ul>		Sagen/Coram 3/17/93
<p>Rev. B:</p> <ul style="list-style-type: none"> <li>• Scanned and converted to electronic document</li> <li>• Reformat Tables in Bid schedules</li> </ul>		Kraig Bader April 22, 2003



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## SPECIFICATION FOR TRANSFORMER REPAIR

### 1. SCOPE

This specification establishes the minimum requirements for a blanket order for providing transportation, materials, labor, and equipment to repair distribution transformers. The City stocks four types of transformers, pole mounted overhead units, modified overhead units for underground installation, single phase pad-mounted units and three phase pad-mounted units. The contractor must be able to repair all types, see attached Bid Proposal Forms.

### 2. BID REQUIREMENTS

#### 2.1. Required Information

- 2.1.1. Prices shall be broken down by KVA and transformer type, see attached Bid Proposal Forms.
- 2.1.2. A price list showing the discount schedule for the City for both new and reconditioned parts must accompany the bid.
- 2.1.3. A description of the paint system used shall be included with the bid.
- 2.1.4. A list of at least three references, including phone number and name of contact must accompany the bid. Also, list any manufacturers for whom you do warranty work. Please include the approximate number of transformers your firm repairs in a year.

#### 2.2. Minor Repair

- 2.2.1. Minor repair shall be bid as a fixed charge plus parts and oil. Minor repair shall include, but is not limited to, the items listed under Technical Requirements.

#### 2.2.2. Rewinding

If rewinding is required in addition to minor repair, rewinding will be considered on a case by case basis. City approval must be obtained prior to the commencement of actual work. Should the City choose not to have the transformer repaired, and the repair shop will not accept the transformer in exchange for the labor to discover the need to rewind, the inspection fee must be included in the bid.

### 3. GENERAL REQUIREMENTS

#### 3.1. Warranty

A minimum eighteen month warranty on labor and parts is required.

#### 3.2. Contract Extension

Contract may be extended for four years under the same terms and conditions upon agreement of the Contractor and the City, subject to satisfactory negotiations 60 (sixty) days prior to expiration of each annual contract.

#### 3.3. Withdrawal of Contractual Award

Purchase order is contingent on conformance with these specifications and attachments. In case of conflict, the requirements of the following documents shall apply in the priority shown:

- a) This Specification
- b) Applicable industry standards

## c) Purchase order terms and conditions

The City reserves the right to cancel the purchase contract at any time, if in the opinion of the City, the product, service or delivery does not meet specifications, even if non-conforming material or service has previously been accepted. At the discretion of the City, a supplier providing non-conforming material or service may be removed from the Approved Suppliers list for an indefinite re-evaluation period of not less than three years.

## 3.4. Shipment

Bid pricing shall include pick up and delivery at the City's Warehouse facility. The minimum number of transformers per pick up must be stated in the bid. Thirty (30) day turn around is required for non-emergency repair. Emergency repair turn around will be determined at the time repair is requested. Any extra charges for emergency turn around must be included in the bid.

## 3.5. Payment

Payment will be made in accordance with Purchase Order Terms and Conditions except the repair facility shall furnish certified copies of the results of tests prior to payment. Copies shall be sent with each transformer at delivery as well as with the invoice. Unsigned copies are not acceptable even if accompanied by a signed cover letter. Work shall not be considered complete until certified test reports are received.

**4. TECHNICAL REQUIREMENTS**

## 4.1. Oil

Oil shall meet the requirements of ASTM D3487 and ANSI/IEEE C57.106. Oil and oil handling equipment shall be certified PCB free and certification must accompany delivery. The City reserves the right to refuse any unit(s) not certified PCB free.

## 4.2. Repair and Test

## 4.2.1. Minor repairs shall include, but are not limited to:

- A. Complete external and internal inspection.
- B. Diagnosis, including testing as required.
- C. Replacement parts, electrically equivalent and visually acceptable (priced separately).
- D. Repair leaks.
- E. Bake core and coil.
- F. Oil filtration for water and carbon removal. Add oil as needed, charged at prevailing price at time of shipment. Oil must be certified PCB free, and certification must accompany delivery.
- G. Tank painted to our specifications, repainting of the transformer number; custom NEMA safety tag will be replaced by the City.
- H. Testing, including full voltage, insulation hi-pot to ground, transformer turns ratio, megger, dielectric of oil.
- J. Complete, certified test report must accompany each unit at delivery.

## 4.2.2. Rewinds shall include, but are not limited to:

- A. Complete external and internal inspection.
- B. Diagnosis, including testing as required.
- C. Replacement parts, electrically equivalent and visually acceptable (priced separately).
- D. Rewinding.
- E. Repair leaks.
- F. Bake core and coil.
- G. Oil filtration for water and carbon removal. Add oil as needed, charged at prevailing price at time of shipment. Oil must be certified PCB free, and certification must be accompany delivery.
- H. Tank painted to our specifications, repainting of the transformer number; custom NEMA safety tag will be replaced by the City.

- I. Testing, including core and full load losses, exciting amps, full voltage, insulation hi-pot to ground, transformer turns ratio, megger, dielectric of oil.
- J. Complete, certified test report must accompany each unit at delivery.

BID PROPOSAL FORM: SCHEDULE I-A

OVERHEAD TRANSFORMERS, minor repair - (includes modified units for underground vault installation)

Paint requirement: light grey, ANSI No. 70, Munsell 50G 7.0/0.4

Voltage: 7620 volt, 95 BIL transformers

KVA	SEC	\$ w/TAPS	\$ w/o TAPS	\$ Adder for CSP
10	120/240			
25	120/240			
50	120/240			
50	240/480			
75	120/240			
100	277			
100	120/240			
100	2400/4160Y			
167	120/240			
167	277			
167	4160grdY/2400			
250	120/240			
250	277			

**BID PROPOSAL FORM - SCHEDULE I-B**

OVERHEAD TRANSFORMERS, minor repair - (includes modified units for underground vault installation)

Paint requirement: light grey, ANSI No. 70, Munsell 50G 7.0/0.4

Voltage: 7620/13200 x 2400/4160Y transformers

KVA	SEC	\$ w/TAPS	\$ w/o TAPS	\$ Adder for CSP
10	120/240			
25	120/240			
25	240/480			
50	120/240			
50	240/480			
100	120/240			
100	277			

BID PROPOSAL FORM -SCHEDULE II-A

OVERHEAD TRANSFORMERS, rewind in addition to minor repair - (includes modified units for underground vault installation)

Paint requirement: light grey, ANSI No. 70, Munsell 50G 7.0/0.4

Voltage: 7620 volt, 95 BIL transformers

KVA	SEC	\$ w/TAPS	\$ w/o TAPS	\$ Adder for CSP
10	120/240			
25	120/240			
50	120/240			
50	240/480			
75	120/240			
100	277			
100	120/240			
100	2400/4160Y			
167	120/240			
167	277			
167	4160grdY/2400			
250	120/240			
250	277			

**BID PROPOSAL FORM -SCHEDULE II-B**

OVERHEAD TRANSFORMERS, rewind in addition to minor repair - (includes modified units for underground vault installation)

Paint requirement: light grey, ANSI No. 70, Munsell 50G 7.0/0.4

Voltage: 7620/13200 x 2400/4160Y transformers

KVA	SEC	\$ w/TAPS	\$ w/o TAPS	\$ Adder for CSP
10	120/240			
25	120/240			
25	240/480			
50	120/240			
50	240/480			
100	120/240			
100	277			



BID PROPOSAL FORM - SCHEDULE III

PAD-MOUNTED TRANSFORMERS

Single Phase

Paint Requirement: Silver green, Munsell 7.56Y 7/2

Voltage 7620 volt, 95 BIL transformers, 120/240 secondary, with taps:

KVA	\$ Minor Repair	\$ Rewind Adder
25		
50		
100		
167		
250		

BID PROPOSAL FORM - SCHEDULE IV

PAD-MOUNTED TRANSFORMERS

Three phase, loop feed except as noted

Paint requirement: Desert tan, Munsell 10YR 6.0/3.0

Voltage: 7620 volt, 95 BIL transformers, with taps:

KVA	\$ Minor Repair Sec Voltage		\$ Rewind Adder Sec Voltage	
	208Y/120	480Y/277	208Y/120	480Y277
75, radial				
75				
150				
300				
500				
750				
1000				
1500				
2000				
2500				

BID PROPOSAL FORM - SCHEDULE V

Would your firm accept transformers in exchange for any labor expended prior to discovery of need to rewind if rewind option is not accepted by City?

Yes \_\_\_\_\_

No \_\_\_\_\_, \$ \_\_\_\_\_ inspection fee if rewinding not approved

## Purchase Order Terms and Conditions

### **1. COMMERCIAL DETAILS.**

Invoice Address. To ensure prompt Payment mail invoices in duplicate to:

City of Fort Collins Accounting Division  
P.O. Box 580  
Fort Collins, CO 80522

Tax exemptions. By statute the City of Fort Collins is exempt from state and local taxes. Our Exemption Number is 98-04502. Federal Excise Tax Exemption Certificate of Registry 84-6000587 is registered with the Collector of Internal Revenue, Denver, Colorado (Ref. Colorado Revised Statutes 1973, Chapter 39-26, 114 (a)).

Goods Rejected. GOODS REJECTED due to failure to meet specifications, either when shipped or due to defects of damage in transit, may be returned to you for credit and are not to be replaced except upon receipt of written instructions from the City of Fort Collins.

Inspection. GOODS are subject to the City of Fort Collins inspection on arrival.

Final Acceptance. Receipt of the merchandise, services or equipment in response to this order can result in authorized payment on the part of the City of Fort Collins. However, it is to be understood that FINAL ACCEPTANCE is dependent upon completion of all applicable required inspection procedures.

Freight Terms. Shipments must be F.O.B., City of Fort Collins, 700 Wood St., Fort Collins, CO 80522, unless otherwise specified on this order. If permission is given to prepay freight and charge separately, the original freight bill must accompany invoice. Additional charges for packing will not be accepted.

Shipment Distance. Where manufacturers have distributing points in various parts of the country, shipment is expected from the nearest distribution point to destination, and excess freight will be deducted from Invoice when shipments are made from greater distance.

Permits. Seller shall procure at sellers sole cost all necessary permits, certificates and licenses required by all applicable laws, regulations, ordinances and rules of the state, municipality, territory or political subdivision where the work is performed, or required by any other duly constituted public authority having jurisdiction over the work of vendor. Seller further agrees to hold the City of Fort Collins harmless from and against all liability and loss incurred by them by reason of an asserted or established violation of any such laws, regulations, ordinances, rules and requirements.

Authorization. All parties to this contract agree that the representatives are, in fact, bona fide and possess full and complete authority to bind said parties.

LIMITATION OF TERMS. This Purchase Order expressly limits acceptance to the terms and conditions stated herein set forth and any supplementary or additional terms and conditions annexed hereto or incorporated herein by reference. Any additional or different terms and conditions proposed by seller are objected to and hereby rejected.

### **2. DELIVERY.**

PLEASE ADVISE PURCHASING AGENT immediately if you cannot make complete shipment to arrive on your promised delivery date as noted. Time is of the essence. Delivery and performance must be effected within the time stated on the purchase order and the documents attached hereto. No acts of the Purchasers including, without limitation, acceptance of partial late deliveries, shall operate as a waiver of this provision. In the event of any delay, the Purchaser shall have, in addition to other legal and equitable remedies, the option of placing this order elsewhere and holding the Seller liable for damages. However, the Seller shall not be liable for damages as a result of delays due to causes not reasonably foreseeable which are beyond its reasonable control and without its fault of negligence, such acts of God, acts of civil or military authorities, governmental priorities, fires, strikes, flood, epidemics, wars or riots provided that notice of the conditions causing such delay is given to the Purchaser within five (5) days of the time when the Seller first received knowledge thereof. In the event of any such delay, the date of delivery shall be extended for the period equal to the time actually lost by

reason of the delay.

### **3. WARRANTY.**

The Seller warrants that all goods, articles, materials and work covered by this order will conform with applicable drawings, specifications, samples and/or other descriptions given, will be fit for the purposes intended, and performed with the highest degree of care and competence in accordance with accepted standards for work of a similar nature. The Seller agrees to hold the purchaser harmless from any loss, damage or expense which the Purchaser may suffer or incur on account of the Sellers breach of warranty. The Seller shall replace, repair or make good, without cost to the purchaser, any defects or faults arising within one (1) year or within such longer period of time as may be prescribed by law or by the terms of any applicable warranty provided by the Seller after the date of acceptance of the goods furnished hereunder (acceptance not to be unreasonably delayed), resulting from imperfect or defective work done or materials furnished by the Seller. Acceptance or use of goods by the Purchaser shall not constitute a waiver of any claim under this warranty. Except as otherwise provided in this purchase order, the Sellers liability hereunder shall extend to all damages proximately caused by the breach of any of the foregoing warranties or guarantees, but such liability shall in no event include loss of profits or loss of use. NO IMPLIED WARRANTY OR MERCHANTABILITY OR OF FITNESS FOR PURPOSE SHALL APPLY.

### **4. CHANGES IN LEGAL TERMS.**

The Purchaser may make changes to legal terms by written change order.

### **5. CHANGES IN COMMERCIAL TERMS.**

The Purchaser may make any changes to the terms, other than legal terms, including additions to or deletions from the quantities originally ordered in the specifications or drawings, by verbal or written change order. If any such change affects the amount due or the time of performance hereunder, an equitable adjustment shall be made.

### **6. TERMINATIONS.**

The Purchaser may at any time by written change order, terminate this agreement as to any or all portions of the goods then not shipped, subject to any equitable adjustment between the parties as to any work or materials then in progress provided that the Purchaser shall not be liable for any claims for anticipated profits on the uncompleted portion of the goods and/or work, for incidental or consequential damages, and that no such adjustment be made in favor of the Seller with respect to any goods which are the Sellers standard stock. No such termination shall relieve the Purchaser or the Seller of any of their obligations as to any goods delivered hereunder.

### **7. CLAIMS FOR ADJUSTMENT.**

Any claim for adjustment must be asserted within thirty (30) days from the date the change or termination is ordered.

### **8. COMPLIANCE WITH LAW.**

The Seller warrants that all goods sold hereunder shall have been produced, sold, delivered and furnished in strict compliance with all applicable laws and regulations to which the goods are subject. The Seller shall execute and deliver such documents as may be required to effect or evidence compliance. All laws and regulations required to be incorporated in agreements of this character are hereby incorporated herein by this reference. The Seller agrees to indemnify and hold the Purchaser harmless from all costs and damages suffered by the Purchaser as a result of the Sellers failure to comply with such law.

### **9. ASSIGNMENT.**

Neither party shall assign, transfer, or convey this order, or any monies due or to become due hereunder without the prior written consent of the other party.

### **10. TITLE.**

The Seller warrants full, clear and unrestricted title to the Purchaser for all equipment, materials, and items furnished in performance of this agreement, free and clear of any and all liens, restrictions, reservations, security interest encumbrances and claims of others.

### **11. NONWAIVER.**

Failure of the Purchaser to insist upon strict performance of the terms and conditions hereof, failure or delay to exercise any rights or remedies provided

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herein or by law, failure to promptly notify the Seller in the event of a breach, the

acceptance of or payment for goods hereunder or approval of the design, shall not release the Seller of any of the warranties or obligations of this purchase order and shall not be deemed a waiver of any right of the purchaser to insist upon strict performance hereof or any of its rights or remedies as to any such

goods, regardless of when shipped, received or accepted, as to any prior or subsequent default hereunder, nor shall any purported oral modification or rescission of this purchase order by the Purchaser operate as a waiver of any of the terms hereof.

#### 12. ASSIGNMENT OF ANTITRUST CLAIMS.

Seller and the Purchaser recognize that in actual economic practice, overcharges resulting from antitrust violations are in fact borne by the Purchaser. Therefore, for good cause and as consideration for executing this purchase order, the Seller hereby assigns to the Purchaser any and all claims it may now have or hereafter acquired under federal or state antitrust laws for such overcharges relating to the particular goods or services purchased or acquired by the Purchaser pursuant to this purchase order.

#### 13. PURCHASERS PERFORMANCE OF SELLERS OBLIGATIONS.

If the Purchaser directs the Seller to correct nonconforming or defective goods by a date to be agreed upon by the Purchaser and the Seller, and the Seller thereafter indicates its inability or unwillingness to comply, the Purchaser may cause the work to be performed by the most expeditious means available to it, and the Seller shall pay all costs associated with such work.

The Seller shall release the Purchaser and its contractors of any tier from all liability and claims of any nature resulting from the performance of such work.

This release shall apply even in the event of fault of negligence of the party released and shall extend to the directors, officers and employees of such party.

The Seller's contractual obligations, including warranty, shall not be deemed to be reduced, in any way, because such work is performed or caused to be performed by the Purchaser.

#### 14. PATENTS.

Whenever the Seller is required to use any design, device, material or process covered by letter, patent, trademark or copyright, the Seller shall indemnify and save harmless the Purchaser from any and all claims for infringement by reason of the use of such patented design, device, material or process in connection with the contract, and shall indemnify the Purchaser for any cost, expense or damage which it may be obliged to pay by reason of such infringement at any time during the prosecution or after the completion of the work. In case said equipment, or any part thereof or the intended use of the goods, is in such suit held to constitute infringement and the use of said equipment or part is enjoined, the Seller shall, at its own expense and at its option, either procure for the Purchaser the right to continue using said equipment or parts, replace the same with substantially equal but non-infringing equipment, or modify it so it becomes non-infringing.

#### 15. INSOLVENCY.

If the Seller shall become insolvent or bankrupt, make an assignment for the benefit of creditors, appoint a receiver or trustee for any of the Sellers property or business, this order may forthwith be canceled by the Purchaser without liability.

#### 16. GOVERNING LAW.

The definitions of terms used or the interpretation of the agreement and

the rights of all parties hereunder shall be construed under and governed by the laws of the State of Colorado, USA.

The following Additional Conditions apply only in cases where the Seller is to perform work hereunder, including the services of Sellers Representative(s), on the premises of others.

#### 17. SELLERS RESPONSIBILITY.

The Seller shall carry on said work at Seller's own risk until the same is fully completed and accepted, and shall, in case of any accident, destruction or injury to the work and/or materials before Seller's final completion and acceptance, complete the work at Seller's own expense and to the satisfaction of the Purchaser. When materials and equipment are furnished by others for installation or erection by the Seller, the Seller shall receive, unload, store and handle same at the site and become responsible therefore as though such materials and/or equipment were being furnished by the Seller under the order.

#### 18. INSURANCE.

The Seller shall, at his own expense, provide for the payment of workers compensation, including occupational disease benefits, to its employees employed on or in connection with the work covered by this purchase order, and/or to their dependents in accordance with the laws of the state in which the work is to be done. The Seller shall also carry comprehensive general liability including, but not limited to, contractual and automobile public liability insurance with bodily injury and death limits of at least \$300,000 for any one person, \$500,000 for any one accident and property damage limit per accident of \$400,000. The Seller shall likewise require his contractors, if any, to provide for such compensation and insurance. Before any of the Sellers or his contractors employees shall do any work upon the premises of others, the Seller shall furnish the Purchaser with a certificate that such compensation and insurance have been provided. Such certificates shall specify the date when such compensation and insurance have been provided. Such certificates shall specify the date when such compensation and insurance expires. The Seller agrees that such compensation and insurance shall be maintained until after the entire work is completed and accepted.

#### 19. PROTECTION AGAINST ACCIDENTS AND DAMAGES.

The Seller hereby assumes the entire responsibility and liability for any and all damage, loss or injury of any kind or nature whatsoever to persons or property caused by or resulting from the execution of the work provided for in this purchase order or in connection herewith. The Seller will indemnify and hold harmless the Purchaser and any or all of the Purchasers officers, agents and employees from and against any and all claims, losses, damages, charges or expenses, whether direct or indirect, and whether to persons or property to which the Purchaser may be put or subject by reason of any act, action, neglect, omission or default on the part of the Seller, any of his contractors, or any of the Sellers or contractors officers, agents or employees. In case any suit or other proceedings shall be brought against the Purchaser, or its officers, agents or employees at any time on account or by reason of any act, action, neglect, omission or default of the Seller of any of his contractors or any of its or their officers, agents or employees as aforesaid, the Seller hereby agrees to assume the defense thereof and to defend the same at the Sellers own expense, to pay any and all costs, charges, attorneys fees and other expenses, any and all judgments that may be incurred by or obtained against the Purchaser or any of its or their officers, agents or employees in such suits or other proceedings, and in case judgment or other lien be placed upon or obtained against the property of the Purchaser, or said parties in or as a result of such suits or other proceedings, the Seller will at once cause the same to be dissolved and discharged by giving bond or otherwise. The Seller and his contractors shall take all safety precautions, furnish and install all guards necessary for the prevention of accidents, comply with all laws and regulations with regard to safety including, but without limitation, the Occupational Safety and Health Act of 1970 and all rules and regulations issued pursuant thereto.