J-W Power Company

P.O. Box 226406 Dallas, TX 75222-6406 (972) 233-8191



GAS COMPRESSOR SALE QUOTATION

Customer: City of Norman

1301 Da Vinci

Norman, Oklahoma 73070

Attn:

Mr. Mike White

Date: 07-25-2016 Ref. No.: 06BS0725-1

Project: Da Vinci Service Center

Gentlemen:

J-W Power Company is pleased to submit this quotation in response to your inquiry, which is referenced above. This quotation is subject to only those terms and conditions of sale which are set forth on the accompanying page. Any purchase order pursuant to this quotation shall not result in a contract until it is accepted and acknowledged by J-W Power Company, Dallas, Texas. **This quotation is firm for 30 days***.

SITE CONTROLLER

Site Controller\$16,671.00

- Required for site with multiple compressors
- Adds Site Control Capability both local and remotely
- Adds Lead/Lag capability to compressors
- Adds Remote monitoring & data logging capabilities
- Includes Ethernet connectivity for remote PLC access
- 4-6 week delivery

Site Engineering and Integration Support (Small Arrow Engineering, LLC)......\$8,290.00

- Licensed Professional Engineer in the State of Oklahoma
- Construction Phase Support, Station Integration and Site Visits
- Provide field support on startup and integration support to Brad (J-W) when he completes the programming

Integration and installation of PLC.....\$8,500.00

 Providing field support during your startup activities and providing integration along with the programming procedures

Start-up & Commissioning......\$7,500.00

Up to 5 days included in estimate

Additional days & time subject to J-W Power Company's Published Rate Schedule Plumbing, Electrical, and other appropriate sub-contractors must be present or readily available during start-up & commissioning

J-W Power Company's Scope of Service for CNG Equipment Start-up and Commissioning includes the following:

- Conduct initial start-up of CNG equipment supplied by J-W, including recommended start-up procedures for the Ariel Compressor Frame
- Complete required warranty documentation on applicable equipment components
- Base price is based 8 hour work days during normal business hours (excluding holidays & weekends)

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Time in excess of 8 hours on a daily basis will be paid by customer at base rate of \$95/hour times 1-1/2

 Work performed on Holidays will be charged at two (2) times time the standard rates above. Our holidays include:

New Year's DayLabor DayMemorial DayThanksgiving Day

Independence Day Christmas Eve

Easter Christmas Day

Scope of Service does not include:

- Site labor
- Construction management (beyond SAE)
- Calibration of dispensers
- Supplying or extending utilities or bringing utilities to location
- Commissioning charges from manufacturers outside of J-W Power Company (dryers, dispensers)
- Any applicable tools need to be provided by customer

- Supply of any materials (including hipressure tubing or piping)
- Landscaping
- Site reclamation
- Soil decontamination
- Obtaining any licenses/permits
- Physical installation of any equipment
- Point of Sale or other POS software configuration or troubleshooting

Delivery:

Available "See Above" ARO & receipt of down payment Subject to available facility space and component lead times Delivery to be confirmed at time of order

Payment Terms:

• Invoice #1 - 100%, sent immediately upon order for purchase

Please note: All invoices must be paid within 30 days of the invoice date, otherwise they are considered past due. J-W Power Company requires payment in full to be received at time of unit completion. Lead times cannot be guaranteed if payments are past due, and units will not be shipped if all payments have not been received. Payments for non-standard equipment orders are non-refundable.

Warranty:

1 Year Limited

J-W POWER COMPANY

By: Bob Steed Account Manager

J-W Power Company

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TERMS AND CONDITIONS OF SALE

In accordance with the usage of trade, your assent to the terms and conditions of sale set forth herein shall be conclusively presumed from your failure seasonable to object in writing and from your acceptance of all or any part of the material ordered.

All proposals, negotiations, and representations, if any, regarding this transaction and made prior to the date of this acknowledgment are merged herein.

PRICES - All prices, whether herein named or heretofore quoted or proposed, shall be adjusted to the Seller's prices herein named or heretofore quoted - (A) any changes in such transportation charges shall be for the account of the Buyer:

(B) except as otherwise stated in the Seller's quotation, the Seller shall not be responsible for switching, spotting. Handling, storage, demurrage or any other transportation or accessorial service, nor for any charges incurred therefore, unless such charges are included in the applicable tariff freight rate from shipping point to the designated point.

PAYMENTS - Unless otherwise specified, payments will be due and payable at Dallas, Texas upon receipt of invoice by Buyer from Seller and if not paid within thirty (30) days from invoice date, will bear interest at the maximum rate allowed by applicable law and in addition, Buyer shall reimburse Seller for reasonable attorney's fees and other costs incurred by Seller in collecting past due accounts from Buyer.

TAXES - Any taxes which the Seller may be required to pay or collect, under any existing or future law, upon or with respect to the sale, purchase, delivery, storage, processing, use or consumption of any of the material covered hereby, including taxes upon or measured by the receipts from the sale thereof, shall be for the account of the Buyer, who shall promptly pay the amount thereof to the Seller upon demand.

DELIVERY - Quotations and sales are Ex-works point of shipment, unless otherwise expressly agreed to in writing by Seller. The Seller will use its best efforts to ship within the time promised, but does not guarantee shipment at any specified time.

DELAY - The Seller shall be excused for any delay in performance due to acts of God, war, riot embargoes, acts of civil or military authorities, fires, floods, accidents, quarantine restrictions, mill conditions, strikes, differences with workmen, delays in transportation, shortage of cars, fuel, labor or materials, or any circumstance or cause beyond the control of the Seller in the reasonable conduct of its business.

INSPECTION - The Buyer may inspect, or provide for inspection, at the place of manufacture. Such inspection shall be so conducted as not to interfere unreasonably with the manufacturer's operations, and consequent approval or rejection shall be made before shipment of the material. Notwithstanding the foregoing, if, upon receipt of such material by the Buyer, the same shall appear not to conform to the contract between the Buyer and the Seller, the Buyer shall immediately notify the Seller of such condition and afford the Seller a reasonable opportunity to inspect the material. No material shall be returned without the Seller's consent.

WARRANTY - Seller warrants, for normal use and service, to the original Buyer while in his hands, new equipment and machinery to be of good material and workmanship for a period of one (1) year from date of delivery, This warranty is limited at Seller's option, to the repair, replacement, or allowance of credit for equipment failures due to a proved defect in material or workmanship. Claim for adjustment must be made in writing to Seller within the Warranty period. Abuse or operation of the

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Squipment beyond rated capacity or design will void this warranty.

EXCLUSION OF WARRANTIES - J-W POWER COMPANY DOES NOT WARRANT, EITHER EXPRESS OR IMPLIED, ANY USED OR SECOND-HAND EQUIPMENT OR ANALYSES OF THE PROVIDED BY OTHERS OR PURCHASED FOR MACHINERY WHICH ARE SOLD ON AN "AS IS" BASIS NOR ANY GOODS, EQUIPMENT, OR MACHINERY MANUFACTURED BY OTHERS OR PURCHASED FOR RESALE EXCEPT FOR VOLUNTARY COMPLIANCE BY THE MANUFACTURER WITH ITS EXPRESS WARRANTY. THE IMPLIED WARRANTY OF MERCHANTABILITY AND FITNESS FOR PURPOSE ARE EXPRESSLY EXCLUDED ON ALL SALES.

BUYER'S REMEDIES - If the material furnished to the Buyer shall fail, whether due to Seller's negligent acts or omissions or otherwise, to conform to any contract resulting from this proposal or to any express or implied warranty, during a period not to exceed one (1) year from the date of shipment, the Seller shall replace such nonconforming material at the original point of delivery and shall furnish instructions for its disposition. Any transportation charges involved in such disposition shall be for the Seller's account

The Buyer's exclusive and sole remedy on account or in respect of the furnishing of material that shall fail, whether due to Seller's negligent acts or omissions, or otherwise, to conform to any contract, resulting from this proposal or to any express or implied warranty, during a period not to exceed one (1) year from date of shipment, shall be to secure replacement thereof as aforesaid. The Seller shall not in any event be liable for the cost of any labor expended on any such material or for any special, direct, indirect, incidental or consequential damages to anyone by reason of the fact that such material does not conform to any contract resulting from this proposal or to any express or implied warranty.

PERMISSIBLE VARIATIONS, STANDARDS AND TOLERANCES -Except in the particulars specified by Buyer and expressly agreed to in writing by Seller, all material shall be produced in accordance with Seller's standard practices. All material, including that produced to meet an exact specification, shall be subject to tolerances and variations consistent with usages of the trade and regular mill practices concerning; dimension, weight, straightness, section, composition and mechanical properties; normal variations in surface, internal conditions and quality; deviations from tolerances and variations consistent with practical testing and inspection methods; and regular practices concerning over and under shipments.

PATENTS - The Seller shall indemnify the Buyer against any judgment for damages and costs which may be rendered against the Buyer in any suit brought on account of the alleged infringement of any United States patent by any product supplied by the Seller hereunder, unless made in accordance with materials, designs or specifications furnished or designated by the Buyer, in which case the Buyer shall indemnify the Seller against any judgment for damages and costs which may be rendered against the Seller in any suit brought on account of the alleged infringement of any United States patent by such product or by such materials, designs or specifications, provided that prompt written notice be given to the party from whom indemnity is sought of the bringing of the suit and that an opportunity be given such party to settle or defend it as that party mat see fit and that every reasonable assistance in settling or defending it shall be rendered. Neither the Sell nor the Buyer shall in any event be liable to the other for special, indirect, incidental or consequential damages arising out of or resulting from infringement of patents.

CREDIT APPROVAL - Shipments, deliveries and performance of work shall at all times be subject to the approval of the Seller's Credit Department. The Seller may at any time decline to make any shipment or delivery or perform any work except upon receipt of payment or security or upon term and conditions satisfactory to such Department.

COMPLIANCE WITH LAWS -The Seller intends to comply with all laws applicable to its performance of this order. This contract will be construed under the laws of the State of Texas.

RENEGOTIATION - The Seller assumes only such liability with respect to renegotiation of contracts or subcontracts to which it is a party as may be lawfully imposed upon the Seller under the provisions of any Renegotiation Act applicable to this order.

CANCELLATION - Any order for special goods may not be canceled under any circumstances. No other material may return for credit or replacement except by special arrangement.

NON-WAIVER BY SELLER - Waiver by the Seller of a breach of any of the terms and conditions of this contract shall not be construed as a waiver of any other breach.