



# City of Austin

## Recommendation for Action

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**File #:** 26-2721, **Agenda Item #:** 21.

1/22/2026

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### **Posting Language**

Authorize a contract for grease, seals, and O-rings for Austin Water with A.W. Chesterton Co., for an initial term of three years with up to two one-year extension options in an amount not to exceed \$550,000. Funding: \$91,667 is available in the Fiscal Year 2025-2026 Operating Budget of Austin Water. Funding for the remaining years of the contract is contingent upon available funding in future budgets.

### **Lead Department**

Austin Financial Services.

### **Client Department(s)**

Austin Water.

### **Fiscal Note**

Funding in the amount of \$91,667 is available in the Fiscal Year 2025-2026 Operating Budget of Austin Water.

Funding for the remaining contract term is contingent upon available funding in future budgets.

### **Procurement Language:**

Sole Source.

### **MBE/WBE:**

Sole source contracts are exempt from the City Code Chapter 2-9B (Minority-Owned and Women-Owned Business Enterprise Procurement Program); therefore, no subcontracting goals were established.

### **For More Information:**

Direct questions regarding this Recommendation for Council Action to Austin Financial Services - Central Procurement at: [FSDCentralProcurementRCAs@austintexas.gov](mailto:FSDCentralProcurementRCAs@austintexas.gov) or 512-974-2500.

### **Council Committee, Boards and Commission Action:**

January 14, 2026 - Recommended by the Water and Wastewater Commission on a 10-0 vote with Commissioner Penn absent.

### **Additional Backup Information:**

The contract will provide Chesterton grease, seals, and O-rings for Austin Water's water and wastewater treatment plants. These parts are essential for routine maintenance to prevent failures of bearings, shafts, and mechanical seals. In addition, the grease used for the bearings of the flocculators is an exclusive Chesterton product, proven to reduce equipment failures and ensure reliable plant operations.

A. W. Chesterton Co. is the sole provider of Chesterton grease, seals and O-rings. Chesterton Texas is a direct operation of the A. W. Chesterton Co. and has exclusive rights to all accounts in a specific part of the State of Texas. The City of Austin is located within that territory.

A. W. Chesterton Co. is the current provider of these services. The contract will replace a contract which expires January 18, 2026. The requested authorization is based on historical spending and departmental estimates of future needs.

If a contract is not approved, it would limit access to these proprietary parts and materials, resulting in potential equipment failures and operational disruptions in Austin Water's treatment plants.

<b>Contract Details:</b>		
<b>Contract Term</b>	<b>Length of Term</b>	<b>Contract Authorization</b>
Initial Term	3 years	\$330,000
Optional Extension 1	1 year	\$110,000
Optional Extension 2	1 year	\$110,000
<b>Total</b>	<b>5 years</b>	<b>\$550,000</b>

**Note:** Contract Authorization amounts are based on the City's estimated annual usage.