



Water, Sewer, and Solid Waste Committee

January 9th, 2018

5:30 P.M.

(Or immediately following Equipment Committee Session)

City Hall – Room 326

Committee: Chairman Mark Kinion; Council Member Sarah Marsh, Council Member Sarah Bunch, Council Member John LaTour

Alternates:

Copy to: Mayor Lioneld Jordan; Sondra Smith, Don Marr, Paul Becker, Susan Norton, Chris Brown, Lynn Hyke, CH2M HILL, Terry Gulley, Brian Pugh, Jeff Coles, Mark Rogers, Jim Beavers, Aaron Watkins

From: Tim Nyander, Utilities Director

CALL TO ORDER

ROLL CALL

OLD BUSINESS/UPDATES:

NEW BUSINESS:

1. *Third Agreement between Beaver Water District and the City of Fayetteville*

The City of Fayetteville and Beaver Water District recognize that protection of our water supply is of extreme importance. In 2006, the Arkansas Department of Environmental Quality (ADEQ) proposed to issue a renewal National Pollutant Discharge Elimination System (NPDES) Permit for the City's Paul R. Noland Wastewater Treatment Plant that proposed a reduction in the NPDES Permit effluent discharge limitation for Total Phosphorus from 1.0 milligram per liter (mg/l) to 0.5 mg/l on a monthly average basis.

The Noland WWTP had a demonstrated record of maintaining the Total Phosphorus concentration in its treated effluent below 0.5 mg/l on a monthly average basis. Operating the WWTP to ensure compliance with a more stringent Total Phosphorus limit in its NPDES Permit, however, would significantly increase the capital and operational costs for marginal reduction. The City and BWD both recognized that significant amounts of phosphorus in the Beaver Lake watershed come from nonpoint sources, and that a more cost-effective approach to reducing nutrient loading to the Beaver Lake watershed might be to reduce nonpoint source, rather than point source, pollution.

The City and BWD entered into an agreement for the protection of the Beaver Lake watershed in March 2006 (hereinafter referred to as the "First Agreement"). In essence, the First Agreement was based on the City's and BWD's commitment to show reductions of phosphorus from nonpoint sources sufficient to offset the increased phosphorus loading from the Noland WWTP.

The City and BWD entered into a second agreement for the protection of the Beaver Lake watershed on December 18, 2012 (hereinafter referred to as the "Second Agreement"). Both the First and Second Agreements provided, among other things, that the City would implement nonpoint source reduction projects and would operate the Noland WWTP to achieve an effluent discharge of Total Phosphorus that is at or below 0.5 mg/l on an annual average basis and that is no more than an average daily load of 46.7 pounds (lbs.) from July 1 to October 1 of each year.

On or about November 30, 2017, ADEQ revoked and reissued the NPDES Permit for the Noland WWTP with an effective date of January 1, 2018 (hereinafter referred to as the "2018 Permit"). The City and BWD believe that the actions taken under the First and Second Agreements have been productive and that such actions should continue to warrant the retention of the 1.0 mg/l Total Phosphorus limit in order to produce better environmental benefits to Beaver Lake.

This Third Agreement shall be in effect upon signature by both the City and BWD and shall remain in effect during the term of the 2018 Permit.

STAFF REQUESTS THIS BE FORWARDED TO THE CITY COUNCIL FOR APPROVAL

2. *Contract Amendment with McClelland Engineering*

The City of Fayetteville has previously authorized McClelland Engineering to design the relocation of water and sewer lines associated with the Highway 16 corridor improvements by the Arkansas Dept. of Transportation, at a not-to-exceed cost of \$117,859. Based upon age and corrosion leaks, staff requests to replace the 24-inch water main adjacent to Morningside Drive from East Huntsville Road to East 15th street. The scope of additional services include design related to the replacement of approximately 2,600 linear feet of 24-inch cast iron water main, located along the east side of Morningside Drive between Huntsville Road and Highway 16 (15th St.). In addition, it is assumed that approximately 1,000 LF of existing 6-inch sewer main along the east edge of Morningside Drive will need to be relocated to accommodate the new 24-inch water main. The total not-to-exceed cost for this additional work is **\$66,545.27**.

STAFF REQUESTS THIS BE FORWARDED TO THE CITY COUNCIL FOR APPROVAL

3. *Channel Monster Rebuild*

A channel grinder style screening and grinding unit is installed on the front end of the Hamestring Lift Station on Sunshine Road. This unit protects both the pump station and the West Side WRRF from large foreign objects entering the lift station. Every 2 years, funding is set aside to send the Channel Monster back to the manufacturer for inspection and refurbishment. Recently the unit was sent to JWC and inspected. A quote was received in

the amount of \$44,689.80 + applicable taxes to rebuild the unit. We estimate the total cost to be approximately **\$49,050**. Because it was necessary to have the manufacturer's repair facility disassemble the unit to determine the extent of hidden and unknown damage to equipment already purchased, a bid waiver and/or formal sealed bidding will not be necessary according to Arkansas Procurement Law R6:19-11-203, Subsection 14 (EE) "hidden or unknown damages."

STAFF REQUESTS THIS BE FORWARDED TO THE CITY COUNCIL FOR APPROVAL

4. *Noland Clarifier Drives*

The Noland Plant has two primary clarifiers and four secondary clarifiers. Several years ago, two (2) spare mechanical drive units for the clarifiers were purchased and placed in storage for critical spares. Since then, both critical spare units have been installed to replace failing units. Recently, the two failed units were sent to a repair facility for inspection. Both units were disassembled and inspected. The first unit has relatively normal wear and will cost \$24,550 + applicable taxes and freight to be rebuilt. The second unit has damaged gears and is not worth repairing. Both primary clarifiers are no longer needed simultaneously, and rarely are all four secondary units are online at the same time. Having only one critical spare mechanical drive unit on the shelf is sufficient. Staff recommends rebuilding one drive unit for a critical spare at a cost of approximately **\$28,500**. Because it was necessary to have the repair facility disassemble the unit to determine the extent of hidden and unknown damage to equipment already purchased, a bid waiver and/or formal sealed bidding will not be necessary according to Arkansas Procurement Law R6:19-11-203, Subsection 14 (EE) "hidden or unknown damages."

STAFF REQUESTS THIS BE FORWARDED TO THE CITY COUNCIL FOR APPROVAL

5. *Change Order to Goins Enterprises Contract*

On July 6, 2017, the City Council approved a contract with Goins Enterprises for replacing waterline in three locations in Fayetteville: along MLK from Smokehouse Trail to Dinsmore Trail, The Garden Park Apartments, and on Huntsville Road from Sherman Avenue to Happy Hollow Road. Goins Enterprises has completed Garden Park Apartments, and is nearly finished with MLK. On Huntsville Road, the Transportation Department has potential plans to overlay the street in the area of the waterline work. We felt it was important to replace an additional 1,160 feet of 8-inch waterline before the street is resurfaced. This would avoid damage to the new street during waterline installation or repair.

INFORMATIONAL AT THIS TIME, MAY BE ON COUNCIL AGENDA BEFORE NEXT COMMITTEE MEETING

Capital Projects Update

Number	Project Description	Contractor	Cost	% Complete
1	Dinsmore Trail Water Line Replacement (Design)	MWY	\$53,144	98%
2	Masters Lift Station Removal (Design)	Hawkins-Weir	\$71,820	98%
3	Gregg, Poplar and Easy Street Sewer improvements-Design	In-House Design	\$500,000	90%
4	Huntsville, MLK & Garden Park Apartments Water Line Replacements - Construction	Goins Enterprises	\$1,919,872	61%
5	Screen Repair at West Side WWTP	In-House	\$35,253	50%
6	Mechanical Blower Repair West Side WWTP	Blocker & Wallace	\$31,355	50%
7	Fulbright/Gregg Sewer Main Replacement (Design)	In-House Design	\$1,000,000	30%
8	Kitty Creek Sewer Line Project (Design)	McClelland Engineering	\$250,793	30%
9	Goshen/Benson Mtn. Water Tank Improvements (Design)	Hawkins-Weir	\$133,980	25%
10	Water & Sewer Outbuildings Construction	Benchmark Const.	\$366,000	20%
11	Utility Relocates Hwy 16 (Design)	McClelland Engineering	\$117,859	15%
12	Electrical Improvements for the Noland WWTP	Allgeier, Martin	\$480,049	1%

PRESENTATIONS

ATTACHMENTS

Third Agreement Draft Copy
McClelland Contract Amendment
Channel Monster Quotation
Clarifier Drive Quotation (Preliminary)

ADJOURN

Next Water, Sewer, Solid Waste Committee meets on
Tuesday, February 13, 2018, 5:30 p.m., Room 326.

**Third Agreement between
Beaver Water District and the City of Fayetteville
for the Protection of the Beaver Lake Watershed**

This Agreement is executed this _____ day of _____, 20____, between the City of Fayetteville, Arkansas, and Beaver Water District. The parties agree as follows:

Beaver Lake is the sole source of drinking water for most of Northwest Arkansas. The City of Fayetteville (the “City”) and Beaver Water District (BWD) recognize that protection of this water supply is of extreme importance. The City has for many years taken a proactive role in minimizing the discharge of pollutants, especially phosphorus, into both the Beaver Lake and the Illinois River watersheds. BWD also has implemented a proactive source water protection program that emphasizes reducing the load of nutrients, including phosphorus, and sediments going into Beaver Lake.

In 2006, the Arkansas Department of Environmental Quality (ADEQ) proposed to issue a renewal National Pollutant Discharge Elimination System (NPDES) Permit for the City’s Paul R. Noland Wastewater Treatment Plant (the “Noland WWTP”) that would allow almost a doubling over time of the discharge of treated effluent into the White River, from 6.0 million gallons per day (mgd) to 11.2 mgd. The Noland WWTP discharges into the White River approximately six miles upstream of Beaver Lake. Concurrently, ADEQ proposed a reduction in the NPDES Permit effluent discharge limitation for Total Phosphorus from 1.0 milligram per liter (mg/l) to 0.5 mg/l on a monthly average basis. That meant that while the volume of treated effluent discharged to the White River could almost double, the pounds of Total Phosphorus discharged would not increase.

The Noland WWTP had a demonstrated record of maintaining the Total Phosphorus concentration in its treated effluent below 0.5 mg/l on a monthly average basis. Operating the WWTP to ensure compliance with a more stringent Total Phosphorus limit in its NPDES Permit, however, would significantly increase the capital and operational costs for marginal reduction. The City and BWD both recognized that significant amounts of phosphorus in the Beaver Lake watershed come from nonpoint sources, and that a more cost-effective approach to reducing nutrient loading to the Beaver Lake watershed might be to reduce nonpoint source, rather than point source, pollution.

The City and BWD entered into an agreement for the protection of the Beaver Lake watershed in March 2006 (hereinafter referred to as the “First Agreement”). The First Agreement set forth a series of actions that would allow the Noland WWTP to keep a 1.0 mg/l Total Phosphorus effluent discharge limit in its renewal NPDES Permit in exchange for the City conducting a program to reduce nonpoint source loadings of phosphorus within the Beaver Lake watershed. In essence, the First Agreement was based on the City’s and BWD’s commitment to show reductions of phosphorus from nonpoint sources sufficient to offset the increased phosphorus loading from the Noland WWTP that would be allowed if the renewal permit provided for a discharge flow increase and kept the 1.0 mg/l Total Phosphorus limit.

In express recognition of the First Agreement, ADEQ issued the renewal NPDES Permit for the Noland WWTP, effective June 1, 2006, with a Total Phosphorus limit of 1.0 mg/l. In order to retain the monthly average Total Phosphorus limit of 1.0 mg/l in the City's subsequent renewal permit, the City and BWD entered into a second agreement for the protection of the Beaver Lake watershed on December 18, 2012 (hereinafter referred to as the "Second Agreement"). Thereafter, ADEQ issued the renewal NPDES Permit for the Noland WWTP, with an effective date of March 1, 2013. Both the First and Second Agreements provided, among other things, that the City would implement nonpoint source reduction projects and would operate the Noland WWTP to achieve an effluent discharge of Total Phosphorus that is at or below 0.5 mg/l on an annual average basis and that is no more than an average daily load of 46.7 pounds (lbs.) from July 1 to October 1 of each year.

On or about November 30, 2017, ADEQ revoked and reissued the NPDES Permit for the Noland WWTP with an effective date of January 1, 2018 (hereinafter referred to as the "2018 Permit"). The City and BWD believe that the actions taken under the First and Second Agreements have been productive and that such actions should continue to warrant the retention of the 1.0 mg/l Total Phosphorus limit in order to produce better environmental benefits to Beaver Lake. Therefore, the following actions and commitments have been agreed to by the City and BWD:

1. The City will maintain the operation of the Noland WWTP to achieve an effluent discharge of Total Phosphorus (TP) that is at or below 0.5 mg/l on an annual average basis.
2. The annual load of TP discharged to the White River will be no more than 9.49 tons.
3. The total load of TP discharged to the White River from July 1 to October 31 of each year will be no more than 2.85 tons.
4. The average daily load of TP discharged to the White River from July 1 to October 31 of each year will be no more than 46.7 lbs.
5. The maximum daily load of TP discharged to the White River from July 1 to October 31 of each year will be no more than 93.4 lbs.
6. The City will report monthly to BWD the discharged loads and concentrations of TP from the Noland WWTP.
7. The City will continue to review City codes and ordinances for opportunities to improve nonpoint source controls.
8. The City will continue to evaluate the creation of a stormwater management utility.

9. The City will continue to implement nonpoint source reduction projects (such as stream bank restorations, rain garden construction, and educational programs). This will include the Lake Sequoyah sediment dredging project, which upon completion will increase storage capacity in Lake Sequoyah and decrease sediment and phosphorus loadings to the Beaver Lake watershed.
10. BWD will continue to implement its source water protection program (which includes watershed and in-lake monitoring and modeling, public outreach and education, and support for land conservation). This will include BWD's participation in and support of the Watershed Conservation Resource Center's West Fork White River Watershed Initiative. This project will reduce sediment and phosphorus loadings to the Beaver Lake watershed by restoring unstable streambanks, riparian areas, and associated wetlands. Also included will be BWD's participation in and support of a University of Arkansas Cooperative Extension Service program to train builders and developers on best practices to reduce sediment runoff from construction sites.
11. BWD will continue to work with other entities within the Beaver Lake watershed to implement the Beaver Watershed Alliance's (BWA's) current Beaver Lake Watershed Protection Strategy. This will include support of BWA's Pond Demonstration Research Project and its Pasture Renovation Program, which seek to reduce sediment and nutrient transport from farms into the Beaver Lake watershed.
12. Both BWD and the City will seek outside sources of funding to leverage their respective expenditures on source water protection and nonpoint source reduction projects.
13. The City and BWD will meet quarterly to coordinate and share plans for future efforts and review progress made by both parties in achieving the goals of this Third Agreement.

Both BWD and the City recognize that at certain times extreme environmental conditions may make it impossible to meet some or all of the above actions and commitments.

This Third Agreement shall be in effect upon signature by both the City and BWD and shall remain in effect during the term of the 2018 Permit.

**CITY OF FAYETTEVILLE,
ARKANSAS**

**BEAVER WATER
DISTRICT**

Date

Date

Lioneld Jordan, Mayor

Bill Watkins
President
Board of Directors

Sondra Smith, City Clerk

Woody Bassett
Secretary
Board of Directors

DRAFT

**Supplemental Agreement No. 1
Highway 16 Utility Relocations**

Date: _____

WHEREAS, the CITY OF FAYETTEVILLE and McClelland Consulting Engineers, Inc. (ENGINEER) entered into an Agreement for Professional Engineering Services (AGREEMENT) on October 3, 2017; and,

WHEREAS, the CITY OF FAYETTEVILLE has requested that ENGINEER perform additional services outside of the scope of the AGREEMENT.

NOW THEREFORE, the following modifications will be made to the AGREEMENT to include the additional services requested:

MODIFICATIONS:

1. Section 2.1.1 – the additional scope of services are included in the attached Appendix “A-1”.
2. Section 5.1 – the maximum not-to-exceed amount is increased from \$107,144.55 to **\$173,689.82**. Modifications to compensation are included in the attached Appendix “B-3”.

IN WITNESS WHEREOF, the parties execute this Supplemental Agreement No. 1, to be effective on the date set out above.

McClelland Consulting Engineers, Inc.

City of Fayetteville, Arkansas

BY: _____



Daniel Barnes, PE
President, Fayetteville Office

BY: _____

Mayor Lioneld Jordan

APPENDIX A – SCOPE OF ADDITIONAL SERVICES

SUPPLEMENTAL AGREEMENT NO. 1 – 24" WATER MAIN RELOCATION FROM HUNTSVILLE RD TO HIGHWAY 16 (15TH ST)

1.1 General

The scope of additional services includes design surveys, Preliminary Design, and Final Design services related to the replacement of approximately 2,600 linear feet of 24-inch cast iron water main, located along the east side of Morningside Drive between Huntsville Rd and Highway 16 (15th St). The design plans and technical specifications for this additional work will be incorporated into the water/sewer relocation plans for the Highway 16 corridor previously authorized by the City, and bid out as one complete package. The proposed alignment is planned for the east side Morningside Drive; therefore, coordination will be needed with the design consultant completing the subdivision on the east side of Morningside Drive. In addition, it is assumed that approximately 1,000 LF of existing 6" sewer main along the east edge of Morningside Drive will need to be relocated to accommodate the new 24" water main. The design associated with the sewer main relocation is included in this scope of additional services.

1.2 Design Surveys, Preliminary Design, Final Design and Bidding Services

1.2.1 Design Surveys

MCE will complete a detailed topographic survey along Morningside Drive (between west curb line and approximately 30 ft east of east right-of-way line) from Huntsville Rd to Highway 16. Details will include (but are not limited to): contours, flowlines, utility poles and pedestals, structures, roads, sidewalks, storm water and sanitary sewer manholes, and utility marks provided by a utility locating service. MCE will also conduct research and make physical ties sufficient to locate the eastern right-of-way of Morningside Drive along the project limits, for the purpose of defining the extent of the right-of-way, not for transfer of title.

1.2.2 Preliminary Design

Preliminary plans for the 24" water main relocation shall be submitted to the City of Fayetteville for the purpose of confirming the final design scope of work, including the extent of the new water main, the location of interconnections, adjacent utility relocations, necessary easement requirements, anticipated right-of-way conflicts, coordination of shut downs with industries in the industrial park, and a preliminary estimate of construction costs.

1.2.3 Final Design

Based on review comments from Preliminary Design, the Final Design and Project Specifications for the 24" water main relocation shall be completed and incorporated into the overall design package. Design deliverables shall be the same as included in the Original Agreement dated October 3, 2017.

1.2.4 Bidding Phase

As mentioned in Section 1.2.3 above, the design plans and specifications will be incorporated into the overall design package for the Highway 16 water/sewer relocations and bid out as one complete project. Additional effort related to responding to bidder questions and issuance of addenda is anticipated for the 24" water main relocation.

1.3 Property Surveys, Property Mapping, Easement Mapping and Easement Preparation Services

As mentioned in Section 1.2.1, the Design Surveys shall include physical ties sufficient to locate the eastern right-of-way for Morningside Drive. It is assumed that the 24" water main will be relocated to either (1) within the Morningside Drive right-of-way, or (2) within a permanent easement adjacent to the eastern right-of-way line, which will be dedicated by plat for the future development. As such, no additional scope or costs for property surveys, mapping, and easement preparation are included in this Supplemental Agreement.

1.4 Storm Water Pollution Prevention Plan Services

The Storm Water Pollution Prevention Plan shall include the work associated with the 24" water main relocation.

1.5 Geotechnical Services

Perform up to three (3) rock soundings at critical locations along the project corridor. Prepare summary report and logs, which will be included in the Project Specifications.

1.6 Construction Phase Services

The scope of Construction Phase Services will be added with a future amendment to this agreement.

1.7 Extra Work

The following items are not included under this agreement but will be considered as extra work:

1. Redesign for the City's convenience or due to changed conditions after prior approval or conflicting direction from the City or from ARDOT.
2. Submittals or deliverables in addition to those listed in Section 1.2.3.
3. Environmental Assessment.
4. Work related to environmentally or historically (culturally) significant items.

Extra Work will be as directed by the City of Fayetteville in writing for an additional fee as agreed upon by the City of Fayetteville and MCE.

1.8 Schedule

The same schedule as defined in the Original Agreement dated October 3, 2017 will be maintained.

Appendix B-3 Fee Proposal - Supplemental Agreement No. 1

Appendix B-3
Design Surveys, Preliminary Design,
Final Design, SWPPP Servies and Bidding Assistance
In Conjunction with the Highway 16 Water and Sewer Relocation
AHTD Job No. 040579
Fayetteville, Arkansas

Manhours

Labor Classification	Time/Hours	Labor Rate	Extended
Principal Engineer	16.00	\$65.00	\$1,040.00
Sr Project Manager V	136.00	\$60.00	\$8,160.00
Project Designer III	144.00	\$35.00	\$5,040.00
Chief Draftsman	144.00	\$24.00	\$3,456.00
Survey Tech. II	30.00	\$22.00	\$660.00
Reg. Land Surveyor IV	14.00	\$36.50	\$511.00
Field Survey 1-Man	72.00	\$27.00	\$1,944.00
Office Admin	4.00	\$21.50	\$86.00

Direct Labor Subtotal		\$20,897.00
Overhead	164.03%	\$34,277.35
Subtotal		\$55,174.35
Fixed Fee		\$6,620.92
Subtotal Labor Costs		\$61,795.27

EXPENSES

Estimated Reimbursable Expenses	Amount
Mileage	\$50.00
ArkUps	\$1,000.00
Printing	\$100.00
ADH Review Fee*	\$0.00
Rock Soundings (up to 3 locations)	\$3,600.00
Total Estimated Reimbursable Expenses	\$4,750.00

Total Costs - Design Surveys, Preliminary Design, Final Design, Bidding Phase, and SWPPP Services **\$66,545.27**

* ADH Review Fee of \$500 included in Original Agreement



Customer Service Center
2600 S. Garnsey Street
Santa Ana, CA 92707 USA
Phone: 949 833-3888
Toll Free: 800 331-2277
Fax: 714 549-4007

Customer: 6007626
Office
Fayetteville, City of
Accounts Payable / Attn: Cheryl Partain
113 West Mountain Street
Fayetteville, AR 72701
US
479-575-8220

Quote Number: 40951RevA
Quote Date: 12/26/2017
Terms: NET 30 DAYS
Pricing: Valid 60 Days
FOB: Origin
Lead Time: 3 to 4 Weeks
Grinder Serial #: 110269-1-1-01 - CDD6020-XDM2.5

Project: City of Fayetteville

All orders will be billed the applicable sales tax, based on the "ship to address", unless a valid tax exemption certificate is provided prior to shipment.

Part Number	Description	Qty	Unit Price	Extended Price
EVAL_CA	CDD6020-XDM2.5-Repair Evaluation Expected Return Grinder SN: 110269-1-1-01	1	\$0.00	\$0.00
CDD6020-XDM2.5	CDD6020-XDM2.5-Repair 11Cam Cutters Stack 1:1 Hardened Alloy STL Vertical Shaft Support Assembly With Grease Lines Buna N Elastomers Cork & Rubber Gaskets 1/2" Diameter Coil Drums 10HP TENV XP 460V IMM Motor with 40FT SO Cable 43:1 Reducer Spool 1HP TENV XP IMM Drum Motors (2) with 40FT SO Cables 377:1 Reducers (2) Spools (2) Grinder SN:110269-1-1-02 ***** Paint Green Epoxy *****	1	\$38,689.80	\$38,689.80
RL	Repair Labor	1	\$0.00	\$0.00
Shipping	Shipping & Handling - ESTIMATE ONLY We will prepay and add to the invoice	1	\$6,000.00	\$6,000.00

Please verify serial number is correct.

Sub Total \$44,689.80
Tax
Total \$44,689.80



Customer Service Center
2600 S. Garnsey Street
Santa Ana, CA 92707 USA
Phone: 949 833-3888
Toll Free: 800 331-2277
Fax: 714 549-4007

Notes:

Thank-You for your Business!

**JWC Environmental LLC
Michael Wolf
Customer Service**



Customer Service Center
2600 S. Garnsey Street
Santa Ana, CA 92707 USA
Phone: 949 833-3888
Toll Free: 800 331-2277
Fax: 714 549-4007

Please provide the following information. Failure to do so may delay processing of order. Quote #: 40951RevA

Bill To Name & Address:

Ship To Name & Address:

Email Address: _____

PO# _____

Payment terms: Net 30 FOB: Origin

Please select a shipping method:

☐ Prepay & Add to Invoice

☐ Collect Account #: _____

Carrier: _____

JWCE will add shipping and handling charges to invoices unless otherwise specified.

Please fax or email your PO and most recent tax certificate to:

Fax (714) 549-4007

Email servicesales@jwce.com

Credit cards:

☐ I authorize JWCE to process this order on my credit card and add shipping and handling charges.
Call Customer Service at (800) 331-2277 for credit card processing.

Signature: _____

Date: _____



Customer Service Center
2600 S. Garnsey Street
Santa Ana, CA 92707 USA
Phone: 949 833-3888
Toll Free: 800 331-2277
Fax: 714 549-4007

JWC ENVIRONMENTAL TERMS AND CONDITIONS OF SALE

Unless otherwise specifically agreed to in writing by the buyer ("Buyer") of the products and or related services purchased hereunder (the "Products") and JWC Environmental (the "Seller"), the sale of the Products is made only upon the following terms and conditions. Whether these terms are included in an offer or an acceptance by Seller, such offer or acceptance is conditioned on Buyer's assent to these terms. Seller rejects all additional, conditional and different terms in Buyer's form or documents.

PAYMENT TERMS

Subject to any contrary terms set forth in our price quotation, order acceptance or invoice the full net amount of each invoice is due and payable in cash within 30 days from the date of the invoice. If any payment is not received within such 30-day period, Buyer shall pay Seller the lesser of 1 1/2% per month or the maximum legal rate on all amounts not received by the due date of the invoice, from the 31st day after the date of invoice until said invoice and charges are paid in full. Unless Sellers documents provide otherwise, freight, storage, insurance and all taxes, duties or other governmental charges related to the Products shall be paid by the Buyer. If Seller is required to pay any such charges, Buyer shall immediately reimburse Seller for said charges. In all cases, regardless of partial payment, title to the Products shall remain the Sellers until payment for the Products has been made in full. All orders are subject to credit approval by Seller. All offers by Seller and/or acceptance of Buyer's order shall be nullified by any failure of Buyer to obtain credit approval. Furthermore, Buyer shall not assert any claim against Seller due to Buyer's inability to obtain credit approval. Irrevocable Letter of Credit from Buyer in form and term acceptable to Seller is required for Product orders delivered outside the United States of America

DELIVERY

Unless otherwise provided in our price quotation, delivery of the Products shall be made F.O.B. place of manufacture. Any shipment, delivery, installation or service dates quoted by the Seller are estimated and the Seller shall be obligated only to use reasonable efforts to meet such dates. The Seller shall in no event be liable for any delays in delivery or failure to give notice of delay or for any other failure to perform hereunder due to causes beyond the reasonable control of the Seller. Such causes shall include, but not be limited to, acts of God, the elements, acts or omissions of manufacturers or suppliers of the Products or parts thereof, acts or omissions of Buyer or civil and military authorities, fires, labor disputes or any other inability to obtain the Products, parts thereof, or necessary power, labor, materials or supplies. The Seller will be entitled to refuse to make, or to delay, any shipments of the Products if Buyer shall fail to pay when due any amount owed by it to the Seller, whether under this or any other contract between the Seller and Buyer. Any claims for shortages must be made to the Company in writing within five calendar days from the delivery date and disposition of the claim is solely subject to Seller's determination

PRICES

Prices of the Seller's Products are subject to change without notice. Quotations are conditioned upon acceptance within 30 days unless otherwise stated and are subject to correction for errors and/or omissions. Prices include charges for regular packaging but, unless expressly stated, do not include charges for special requirements of government or other purchaser. Prices are subject to adjustment should Buyer place an order past the validity period of the quotation or delay delivery of Products beyond the quoted lead time for any reason.

RETURNS

No Products may be returned for cash. No Product may be returned for credit after delivery to Buyer without Buyer first receiving written permission from the Seller. Buyer must make a request for return of Product in writing to Seller at its place of business in Costa Mesa, California. A return material authorization number must be issued by the Seller to the Buyer before a Product may be returned. Permission to return Product to Seller by Buyer is solely and exclusively the Seller's. Product must be returned to Seller at Buyer's expense, including packaging, insurance, transportation and any governmental fees. Any credit for Product returned to Seller shall be subject to the inspection of and acceptance of the Product by the Seller and is at the sole discretion of the Seller.

LIMITED WARRANTY

Subject to the terms and conditions hereof, the Seller warrants until one year after commissioning (written notification to Seller by Buyer required) of the Product or until 18 months after delivery of such Product to Buyer, whichever is earlier, that each Product will be free of defects in material and workmanship. If (a) the Seller receives written notification of such defect during the warranty period and the defective Products use is discontinued promptly upon discovery of alleged defect, and (b) if the owner ("Owner") forwards the Product to the Seller's nearest service/repair facility, transportation and related insurance charges prepaid. The Seller will cause any Products whose defect is covered under this warranty to either be replaced or be repaired at no cost to the Owner. The foregoing warranty does not cover repairs required due to repair or alteration other than by the Seller's personnel, accident, neglect, misuse, transportation or causes other than ordinary use and maintenance in accordance with the Seller's instructions and specifications. In addition, the foregoing warranty does not cover any Products, or components thereof, which are not directly manufactured by the Seller. To the extent a warranty for repair or replacement of such Products or components not manufactured directly by the Seller is available to Buyer under agreements of the Seller with its vendors, the Seller will make such warranties available to Buyer. Costs of transportation of any covered defective item to and from the nearest service/repair center and related insurance will be paid or reimbursed by Buyer. Any replaced Products will become the property of the Seller. Any replacement Products will be warranted only for any remaining term of the original limited warranty period and not beyond that term.

DISCLAIMER OF WARRANTIES AND LIMITATIONS OF LIABILITIES

THE SELLER'S FOREGOING LIMITED WARRANTY IS THE EXCLUSIVE AND ONLY WARRANTY WITH RESPECT TO THE PRODUCTS AND SHALL BE IN LIEU OF ALL OTHER WARRANTIES (OTHER THAN THE WARRANTY OF TITLE), EXPRESS, STATUTORY OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND ANY STATEMENTS MADE BY EMPLOYEES, AGENTS OF THE SELLER OR OTHERS REGARDING THE PRODUCTS. THE OBLIGATIONS OF THE SELLER UNDER THE FOREGOING WARRANTY SHALL BE FULLY SATISFIED BY THE REPAIR OR THE REPLACEMENT OF THE DEFECTIVE PRODUCT OR PART, AS PROVIDED ABOVE. IN NO EVENT SHALL THE SELLER BE LIABLE FOR LOST PROFITS OR OTHER SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, EVEN IF THE SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE TOTAL LIABILITY OF THE SELLER TO BUYER AND OTHERS ARISING FROM ANY CAUSE WHATSOEVER IN CONNECTION WITH BUYER'S PURCHASE, USE AND DISPOSITION OF ANY PRODUCT COVERED HEREBY SHALL, UNDER NO CIRCUMSTANCES, EXCEED THE PURCHASE PRICE PAID FOR THE PRODUCT BY BUYER. NO ACTION, REGARDLESS OF FORM, ARISING FROM THIS AGREEMENT OR BASED UPON BUYER'S PURCHASE, USE OR DISPOSITION OF THE PRODUCTS MAY BE BROUGHT BY EITHER PARTY MORE THAN ONE YEAR AFTER THE CAUSE OF ACTION ACCRUES, EXCEPT THAT ANY CAUSE OF ACTION FOR THE NONPAYMENT OF THE PURCHASE PRICE MAY BE BROUGHT AT ANY TIME

The remedies provided to Buyer pursuant to the limited warranty, disclaimer of warranties and limitations of liabilities, described herein are the sole and exclusive remedies.

Unless specifically agreed to in writing by the Seller, no charges may be made to the Seller by Buyer or any third party employed by buyer for removing, installing or modifying any Product.

The Seller and its representatives may furnish, at no additional expense, data and engineering services relating to the application, installation, maintenance or use of the Products by Buyer. The Seller will not be responsible for, and does not assume any liability whatsoever for, damages of any kind sustained either directly or indirectly by any person through the adoption or use of such data or engineering services in whole or in part.

CONFIDENTIAL INFORMATION

Except with the Seller's prior written consent, Buyer shall not use, duplicate or disclose any confidential proprietary information delivered or disclosed by the Seller to Buyer for any purpose other than for operation or maintenance of the Products.

CANCELLATION AND DEFAULT

Absolutely no credit will be allowed for any change or cancellation of an order for Products by Buyer after fabrication of the Products to fill Buyer's order has been commenced. If Buyer shall default in paying for any Products purchased hereunder, Buyer shall be responsible for all reasonable costs and expenses, including (without limitation) attorney's fees incurred by the Seller in collecting any sums owed by Buyer. All rights and remedies to the Seller hereunder or under applicable laws are cumulative and none of them shall be exclusive of any other right to remedy. No failure by the Seller to enforce any right or remedy hereunder shall be deemed to be a waiver of such right or remedy, unless a written waiver is signed by an authorized management employee of the Seller and the Seller's waiver of a breach of this agreement by Buyer shall not be deemed to be a waiver of any other breach of the same or any other provision.

CHANGES IN PRODUCTS

Changes may be made in materials, designs and specifications of the Products without notice. The Seller shall not incur any obligation to furnish or install any such changes or modifications on Products previously ordered by, or sold to, Buyer.

APPLICABLE LAW, RESOLUTION OF DISPUTES AND SEVERABILITY

This agreement is entered into in Costa Mesa, California. This agreement and performance by the parties hereunder shall be construed in accordance with, and governed by, the laws of the State of California. Any claim or dispute arising from or based upon this agreement or the Products which form its subject matter shall be resolved by binding arbitration before the American Arbitration Association in Los Angeles, California, pursuant to the Commercial Arbitration Rules, excepting only that each of the parties shall be entitled to take no more than two depositions, and serve no more than 30 interrogatories, 10 requests for admissions and 20 individual requests for production of documents, such discovery to be served pursuant to the California Code of Civil Procedure. Any award made by the arbitrator may be entered as a final judgment, in any court having jurisdiction to do so. If any provision of this agreement shall be held by a court of competent jurisdiction or an arbitrator to be unenforceable to any extent, that provision shall be enforced to the full extent permitted by law and the remaining provisions shall remain in full force and effect.

ASSIGNMENT

This agreement shall be binding upon the parties and their respective successors and assigns. However, except for rights expressly provided to subsequent Owners of the Products under "Limited Warranty" above,



Customer Service Center
2600 S. Garnsey Street
Santa Ana, CA 92707 USA
Phone: 949 833-3888
Toll Free: 800 331-2277
Fax: 714 549-4007

any assignment of this agreement or any rights hereunder by Buyer shall be void without the Company's written consent first obtained. Any exercise of rights by an Owner other than Buyer shall be subject to all of the limitations on liability and other related terms and conditions set forth in this agreement.

EXCLUSIVE TERMS AND CONDITIONS

The terms and conditions of this agreement may be changed or modified only by an instrument in writing signed by an authorized management employee of the Seller. This instrument, together with any amendment or supplement hereto specifically agreed to in writing by an authorized management employee of the Seller, contains the entire and the only agreement between the parties with respect to the sale of the Products covered hereby and supersedes any alleged related representation, promise or condition not specifically incorporated herein.

SELLER'S PRODUCTS ARE OFFERED FOR SALE AND SOLD ONLY ON THE TERMS AND CONDITIONS CONTAINED HEREIN. NOTWITHSTANDING ANY DIFFERENT OR ADDITIONAL TERMS OR CONDITIONS CONTAINED IN BUYER'S SEPARATE PURCHASE ORDERS OR OTHER ORAL OR WRITTEN COMMUNICATION, BUYER'S ORDER IS OR SHALL BE ACCEPTED BY THE COMPANY ONLY ON THE CONDITION THAT BUYER ACCEPTS AND CONSENTS TO THE TERMS AND CONDITIONS CONTAINED HEREIN. IN THE ABSENCE OF BUYER'S ACCEPTANCE OF THE TERMS AND CONDITIONS CONTAINED HEREIN THE SELLER'S COMMENCEMENT OF PERFORMANCE AND/OR DELIVERY OF THE PRODUCTS, OR THE SELLER'S STATEMENT OF ACKNOWLEDGMENT OF THE RECEIPT OF BUYER'S PURCHASE ORDER, SHALL BE FOR BUYER'S CONVENIENCE ONLY AND SHALL NOT BE DEEMED OR CONSTRUED TO BE ACCEPTANCE OF BUYER'S DIFFERING TERMS OR CONDITIONS, OR ANY OF THEM. ANY DIFFERENT OR ADDITIONAL TERMS ARE HEREBY REJECTED UNLESS SPECIFICALLY AGREED UPON IN WRITING BY AN AUTHORIZED MANAGEMENT EMPLOYEE OF THE SELLER. IF A CONTRACT IS NOT EARLIER FORMED BY MUTUAL AGREEMENT IN WRITING, BUYER'S ACCEPTANCE OF ANY PRODUCTS COVERED HEREBY SHALL BE DEEMED ACCEPTANCE OF ALL OF THE TERMS AND CONDITIONS STATED HEREIN. THE SELLER'S FAILURE TO OBJECT TO PROVISIONS INCONSISTENT HERewith CONTAINED IN ANY COMMUNICATION FROM BUYER SHALL NOT BE DEEMED A WAIVER OF THE PROVISIONS CONTAINED HEREIN.

F360JWCE0107

6810 South 300 West, Suite 8
Midvale, UT 84047
www.rebuild-it.com



PROPOSAL NO. Q121472

August 30, 2017

PREPARED FOR:

Fayetteville, AR WWTP
1400 N Fox hunter Road
PH- (479) 443.3292
E-Mail: bdaniels@CH2M.com
Attn: Brian Daniels

PROJECT:

Two (2) Dorr-Oliver Drive Rebuilds model 48S1, both to be used as spares.
Serial No. L-30181.

PROJECT LOCATION:

1400 N. Fox Hunter Road
Fayetteville, AR 72701



PROPOSAL PREPARED BY:

Rebuild-It Services Group, LLC
6810 South 300 West, Suite 8
Midvale, Utah 84047
Eric Anderson
Phone: (385) 235.6883
Mobile: (801) 837.8444
eanderson@rebuild-it.com



P R O P O S A L

PROJECT SUMMARY:

Rebuild-it Services Group, LLC (RSG) is pleased to present this proposal for two (2) Dorr-Oliver 48S1 drive rebuilds that will be used as a spare. Drive units are located at the Paul R. Noland Wastewater Treatment Facility, 1400 North Fox Hunter Road, Fayetteville, AR. Dorr-Oliver Serial No. L30181.

SCOPE OF SUPPLY – TWO (2) Dorr-Oliver 48S1 DRIVE REBUILDS:

Rebuild-it Services Group, LLC (RSG) presents our offering for the rebuilding of two (2) 48S1 Drive unit. Both drive have been removed by customer and are in a warehouse ready for pickup. Drive units will be transported to a Dorr-Oliver factory rebuild shop then returned to be stored and used for spares.

Please Note: *All Rebuild-It rebuilt drives come with a standard two (2) year warranty.*

Standard Rebuild Includes:

- Disassembly, cleaning, and inspection of drive unit.
- Issuance of inspection report indicating the condition of part and provide final recommendation of drive rebuild.
- Replacement of all bearings and seals.
- New motor drive package; consists of gear motor, sprockets, chain, stainless steel chain guard and gear motor mounts. Motor drive package will be sized to match existing drive unit output torque and RPM. (we will duplicate the motor data on the existing drives)
- Rebuilding of existing torque device(s).
- Replacement of all keys and fasteners.
- Replace all oil piping and sight glasses.
- Machine and polish all re-useable parts as required.
- Repair pinion and worm shaft surfaces at seal areas.
- Blast clean and paint exterior surfaces of drive and worm gear housings.
- Power clean and seal interior of drive and worm gear housings.
- Blast clean and *paint main gear cover.
- Complete reassembly and testing.
- All new oil piping and fasteners will be stainless steel.
- Transport to and from RSG Rebuild shop.

Drive head coating system (Premium coating system for every drive rebuild):

Rebuild-it's unique coating system provides a durable coating on the drive unit that is superior than what is typically provided.

*All exterior drive unit surfaces:

- Blast cleaned to SSPC-SP6
- Prime coat: Tnemec Series N69 Hi-Build Epoxoline II to a dry film thickness of 4.0 to 6.0 mils. Color: Pencil Gray
- Final coat: UV protected industrial grade polyurethane coating to a dry film thickness of 6.0 mil minimum. Color: Pencil Gray

All interior surface except for machined surfaces and gear faces:

- Power cleaned and then coated with a Tool Crib red insulating varnish.
- All machined surface will be coated with LPS 3 Rust Inhibitor

Please Note: *All reducers and motors will have the manufactures standard finish.*



Paint scheme for Eimco & Dorr-Oliver Drive Units

Items **excluded** in a standard rebuild:

- Major components that are typically re-used as part of the rebuild scope.
 - Pinions
 - Gears
 - Housings

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- Pinion / worm shafts
- Covers will be re-used as part of a standard rebuild.
- Lubricates (oil to be provided by customer).
- O&M for drive unit not included.
- Loading and offloading of drive units by customer.
- Permits, fees, and/or stamped engineering documents.
- Any work not specifically included.
- Lubrication for drive unit.

Note: Pricing is based on a typical (standard) rebuild and does not include the replacement of major components, i.e. gears, precision bearing, pinion, housings and covers. If any of these items are deemed to be replaced, there will be additional charges for these item(s).

PRICING:

Pricing to rebuild one (1) 48S1 drive unit as described above.....\$24,550.00

**Pricing to rebuild two (2) 48S1 drive units as described above.....\$42,990.00

** Discount for rebuilding multiple units at the same time. **

Schedule for drive rebuild and installation:

- Ship refurbished drive; 2 days
- Parts to rebuild shop 3-4 weeks. (the clock will start the day we receive the PO to get the parts at the rebuild shop while the drive is being torn down, keeping the drive rebuild on schedule for a 4 week turn around)
- Rebuild drive unit 3-4 weeks

Freight: The prices shown are F.O.B. destination with freight allowed to a readily accessible location nearest the jobsite.

Please be sure to reference this quotation number and date on your purchase order.

Remit order to:

Rebuild-it Services Group, LLC.
6810 South 300 West, Suite 8
Midvale, Utah 84047
Attention: Candace King, cking@rebuild-it.com

PRICING AND PAYMENT TERMS:

We appreciate the opportunity to offer our parts & services. Upon receipt of an order, we assure you of our continued interest and service. RSG will provide the best service possible to ensure we exceed your expectations.

This proposal, including all terms and conditions contained herein, shall become part of any resulting contract or purchase order. Changes to any terms and conditions, including but not limited to submittal and shipment days, payment terms, and escalation clause shall be negotiated at order placement, otherwise the proposal terms and conditions contained herein shall apply.

Terms: If not outline otherwise in the proposal, terms for the parts and/or equipment are 100% due after shipment or service is completed. Net 30 days from shipment or after service is completed. The prices are good for 60 days.

Sales Tax: No sales taxes, use taxes, or duties have been included in our pricing. Unless you live in Utah, we are not registered to collect sales tax in your state. If you are not tax exempt, please remit taxes directly to the governing authorities.

Freight: Prices quoted are F.O.B. destination with freight prepaid and added to a readily accessible location nearest to jobsite, unless otherwise indicated.

Shipment: Estimated shipment time is (see above) after purchase order is received in our office.

Field Service: Prices do not include field service unless noted in the rebuild scope of work description. Additional field service is available at \$900.00 per day plus expenses.

OEM Parts: If applicable RSG will quote OEM factory parts furnished by FLSmidth USA, Inc. FLSmidth owns EIMCO® and Dorr-Oliver™ registered trademarks. FLSmidth is the sole owner of EIMCO® and Dorr-Oliver® registered trademarks and brand names.



EIMCO & Dorr-Oliver: RSG is the only authorized distributor for EIMCO and Dorr-Oliver parts and services for FLSmidth in the municipal market. No other company is authorized to use the EIMCO or Dorr-Oliver name or trademark unless approved by FLSmidth or Rebuild-it Services Group.

WARRANTY & TERMS AND CONDITIONS:

Parts and/or Equipment manufactured or rebuilt and sold by Rebuild-it Services Group, once paid for in full, is backed by the following warranty:

For the benefit of the original user, RSG warrants all new parts and equipment sold or rebuilt RSG, LLC. to be free from defects in material and workmanship, and will replace or repair, F.O.B. its factories or other location designated by it, any part or parts returned to it which RSG's examination shall show to have failed under normal use and service by the original user within two (2) years following initial start-up and installation of drive unit.

Such repair or replacement shall be free of charge for all items except for those items such as resin, filter media and the like that are consumable and normally replaced during maintenance, with respect to which, repair or replacement shall be subject to a pro-rata charge based upon RSG's estimate of the percentage of normal service life realized from the part. RSG's obligation under this warranty is conditioned upon its receiving prompt notice of claimed defects, which shall in no event be later than thirty (30) days following expiration of the warranty period, and is limited to repair or replacement as aforesaid.

This warranty is expressly made by RSG and accepted by purchaser in lieu of all other warranties, including warranties of merchantability and fitness for particular purpose, whether written, oral, express, implied, or statutory. RSG shall not be liable for normal wear and tear, corrosion, or any contingent, incidental, or consequential damage or expense due to partial or complete inoperability of its equipment for any reason whatsoever.

This warranty shall not apply to equipment or parts thereof which have been altered or repaired outside of a RSG factory, or damaged by improper installation, application, or maintenance, or subjected to misuse, abuse, neglect, accident, or incomplete adherence to all manufacturer's requirements, including, but not limited to, Operations & Maintenance Manual guidelines & procedures.

This warranty applies only to equipment made or sold by Rebuild-it Services Group, LLC (RSG).

RSG makes no warranty with respect to parts, accessories, or components purchased by the customer from others. The warranties which apply to such items are those offered by their respective manufacturers.

CONFIDENTIALITY:

All the information in this quotation is confidential and has been prepared for your use solely in considering services described. Transmission of all or any parts of this information to others or use by you for other purposes is unauthorized without our written consent.

Proposal No. Q121472



TERMS AND CONDITIONS:

Terms and Conditions appearing in any order based on this proposal which are inconsistent herewith shall not be binding on Rebuild-it Services Group (RSG). The sale and purchase of equipment described herein shall be governed exclusively by the foregoing proposal and the following provisions:

1. SPECIFICATIONS: RSG is furnishing its standard equipment as outlined in the proposal and as will be covered by final approved drawings if applicable. The equipment will, however, meet the general intention of the mechanical specifications of these documents.

2. ITEMS INCLUDED: This proposal includes only the equipment specified herein and does not include erection, installation, accessories, nor associated materials such as controls, piping, etc., unless specifically listed.

3. PRICE AND DELIVERY: All selling prices quoted are subject to change without notice after 30 days from the date of this proposal unless specified otherwise. Unless otherwise stated, all prices are F.O.B. RSG or its supplier's shipping points. All claims for damage, delay or shortage arising from such equipment shall be made by Purchaser directly against the carrier. When shipments are quoted F.O.B. job site or other designation, Purchaser shall inspect the equipment shipped, notifying RSG of any damage or shortage within forty-eight hours of receipt, and failure to so notify RSG shall constitute acceptance by Purchaser, relieving RSG of any liability for shipping damages or shortages.

4. PAYMENTS: All invoices are net 30 days. Delinquencies are subject to a 1.5 percent service charge per month or the maximum permitted by law, whichever is less on all past due accounts. Pro rata payments are due as shipments are made. If shipments are delayed by the Purchaser, invoices shall be sent on the date when RSG is prepared to make shipment and payment shall become due under standard invoicing terms. If the work to be performed hereunder is delayed by the Purchaser, payments shall be based on the purchase price and percentage of completion. Products held for the Purchaser shall be at the risk and expense of the Purchaser. Unless specifically stated otherwise, prices quoted are for equipment only. These terms are independent of and not contingent upon the time and manner in which the Purchaser receives payment from the owner.

5. INSTALLATION SUPERVISION: Prices quoted for equipment do not include installation supervision, unless otherwise noted. RSG recommends and will, upon request, make available, RSG's then current rate, an experienced installation supervisor to act as the Purchaser's employee and agent to supervise installation of the equipment. Purchaser shall at its sole expense furnish all necessary labor equipment, and materials needed for installation.

Responsibility for proper operation of equipment, if not installed by RSG or installed in accordance with RSG or original manufacture instructions, and inspected and accepted in writing by RSG or manufacture representing RSG.

RSG will supply the safety devices described in this proposal or shown in RSG's or manufacture represented drawings furnished as part of this order but excepting these, RSG shall not be required to supply or install any safety devices whether required by law or otherwise. The Purchaser hereby agrees to indemnify and hold harmless RSG from any claims or losses arising due to alleged or actual insufficiency or inadequacy of the safety devices offered or supplied hereunder, whether specified by RSG or Purchaser, and from any damage resulting from the use of the equipment supplied hereunder.

6. ACCEPTANCE OF PRODUCTS: Products will be deemed accepted without any claim by Purchaser unless written notice of non-acceptance is received by RSG within 30 days of delivery if shipped F.O.B. point of shipment, or 48 hours of delivery if shipped F.O.B. point of destination. Such written notice shall not be considered received by RSG unless it is accompanied by all freight bills for said shipment, with Purchaser's notations as to damages, shortages and conditions of equipment, containers, and seals. Non-accepted products are subject to the return policy stated below.

7. TAXES: Any federal, state, or local sales, use or other taxes applicable to this transaction, unless specifically included in the price, shall be for Purchaser's account.

8. INSURANCE: From date of shipment until the invoice is paid in full, Purchaser agrees to provide and maintain at its expense, but for RSG benefit, adequate insurance including, but not limited to, builders risk insurance on the equipment against any loss of any nature whatsoever.

9. SHIPMENTS: Any shipment of delivery dates recited represent RSG's best estimate but no liability, direct or indirect, is assumed by RSG for failure to ship or deliver on such dates.

RSG shall have the right to make partial shipments; and invoices covering the same shall be due and payable by Purchaser in accordance with the payment terms thereof. If Purchaser defaults in any payment when due hereunder, RSG may, without incurring any liability therefore to Purchaser or Purchaser's customers, declare all payments immediately due and payable with maximum legal interest thereon from due date of said payment, and at its option, stop all further work and shipments until all past due payments have been made, and/or require that any further deliveries be paid for prior to shipment.

P R O P O S A L

Proposal No. Q121472



If Purchaser requests postponements of shipments, the purchase price shall be due and payable upon notice from RSG that the equipment is ready for shipment; and thereafter any storage or other charge RSG incurs on account of the equipment shall be for the Purchaser's account.

If delivery is specified at a point other than RSG or its supplier's shipping points, and delivery is postponed or prevented by strike, accident, embargo, or other cause beyond RSG reasonable control and occurring at a location other than RSG or its supplier's shipping points, RSG assumes no liability in delivery delay. If Purchaser refuses such delivery, RSG may store the equipment at Purchaser's expense. For all purposes of this agreement such tender of delivery or storage shall constitute delivery.

10. SURFACE PREPARATION AND PAINTING: If furnished, shop primer paint is intended to serve only as minimal protective finish. RSG will not be responsible for the condition of primed or finish painted surfaces after equipment leaves its shops. Purchasers are invited to inspect paint in shops for proper preparation and application prior to shipment. RSG assumes no responsibility for field surface preparation or touch-up of shipping damage to paint. Painting of fasteners and other touch-up to painted surfaces will be by Purchaser's painting contractor after mechanism installation.

11. RETURN OF PRODUCTS: No products may be returned to RSG without RSG's prior written permission. Said permission may be withheld by RSG at its sole discretion.

12. BACK CHARGES: RSG will not approve or accept back charges for labor, materials, or other costs incurred by Purchaser or others in modification, adjustment, service, or repair of RSG furnished materials unless such back charge has been authorized in advance in writing by a RSG employee and a purchase order, or work requisition signed by RSG.

13. INDEMNIFICATION: Purchaser agrees to indemnify RSG from all costs incurred, including but not limited to court costs and reasonable attorney fees, from enforcing any provisions of this contract, including but not limited to breach of contract or costs incurred in collecting monies owed on this contract.

14. ENTIRE AGREEMENT: This proposal expresses the entire agreement between the parties hereto superseding any prior understandings, and is not subject to modification except by a writing signed by an authorized officer of each party.

15. EXTENDED STORAGE: Extended storage instructions will be part of information provided to shipment. If equipment installation and start-up is delayed more than 30 days, the provisions of the storage instructions must be followed to keep WARRANTY in force.

16. LIABILITY: Professional liability insurance, including but not limited to, errors and omissions insurance, is not included. In any event, liability for errors and omissions shall be limited to the lesser of 25,000USD or the value of the particular piece of equipment (not the value of the entire order) supplied by RSG against which a claim is sought.

17. ARBITRATION NEGOTIATION: Any controversy or claim arising out of or relating to the performance of any contract resulting from this proposal or contract issued, or the breach thereof, shall be settled by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered to any court having jurisdiction.

ACCEPTED BY PURCHASER

Customer Name: _____

Customer Address: _____

Contact Name: _____

Contact Phone: _____

Contact Email: _____

Signature: _____

Printed Name: _____

Title: _____

Date: _____

P R O P O S A L