

**REGULAR CITY COUNCIL MEETING
105 S MAIN ST
FARMER CITY, ILLINOIS
MONDAY MAY 2, 2022
6:00 P.M.
AGENDA**

PRELIMINARY MATTERS

1. Call to order
2. Roll call
3. Pledge of allegiance to the flag
4. Proclamations/presentations/recognitions
5. Public Comment –

CONSENT AGENDA

The following items will be adopted on a single motion without discussion unless a council member requests separate consideration:

- A. Approval of the minutes of the April 25, 2022 council minutes
- B. Fund Warrant List

UNFINISHED BUSINESS--Ordinances or resolutions previously tabled.

NEW BUSINESS--Ordinances and resolutions for initial consideration

- A. Ordinance 1084 an ordinance amending the approved annual budget for the City of Farmer City for the fiscal year beginning May 1, 2021 and ending April 30, 2022.
- B. Approve hiring GA Rich & Sons for \$76,000 to replace one sand filter at the Water Treatment Plant.

EXECUTIVE SESSION

OTHER ITEMS

1. City manager report
2. Non-agenda items and other business

ADJOURNMENT

NOTE: Anyone planning to attend the meeting who has need of special assistance under the Americans with Disabilities Act (ADA) is asked to contact the city clerk's office at (309) 928-2842, 48 hours before the meeting. Staff will be pleased to make the necessary arrangements.

MINUTES OF THE FARMER CITY, ILLINOIS
CITY COUNCIL REGULAR MEETING
APRIL 25, 2022 6 p.m.

Roll call Present: Councilmembers Shelley Friedrich, Jason Strough, David Walsh, Willard McKinley, and Mayor Scott Testory.

Also, in attendance: City Manager Sue McLaughlin, City Clerk Angie Wanserski and City Attorney Joe Chamley.

Pledge of allegiance to the flag

Proclamations/presentations:

Public comment:

Public Hearing: Adoption of the FY 23 annual budget

Public hearing was opened at 6:01 by a motion from Mayor Testory. The purpose of this meeting is to formally adopt the annual budget for the City of Farmer City for fiscal year beginning May 1, 2022 and ending April 30, 2023. Pat Munsell spoke on behalf of the Farmer City library. The library will be receiving additional monies from a memorial made to the library association and passed on to the local library. The public hearing was closed at 6:04 by a motion from McKinley. Seconded by Friedrich. Voted unanimously. Motion carried.

CONSENT AGENDA

- A. Approval of the minutes of the April 4, 2022 council meeting.
- B. Fund Warrant List
MOTION by McKinley to approve consent agenda. Seconded by Friedrich. Voted unanimously. Motion carried.

UNFINISHED BUSINESS

NEW BUSINESS

- A. Ordinance 1082 Declaring certain property surplus
MOTION by McKinley to approve ordinance 1082 declaring certain property surplus. Seconded by Friedrich. Voted unanimously. Motion carried.
- B. Ordinance 1083 An ordinance adopting an annual budget for the City of Farmer City for the fiscal year beginning May 1, 2022 and ending April 30, 2023.
City manager McLaughlin apprised council on alterations to the budget and brought up issues for council to contemplate for future budgets. There is a marked decrease in telecom tax funds that will need replaced and challenging decisions regarding employee health insurance and utility fees will need to be considered.
MOTION by McKinley to approve Ordinance 1083 An ordinance adopting an annual budget for the City of Farmer City for the fiscal year beginning May 1, 2022 and ending April 30, 2023. Seconded by Friedrich. Voted unanimously. Motion carried.
- C. Resolution 2022-67 Appointment of Sally McKinley to the Farmer City Public Library Board (replacing Jean Michaels).

MOTION by Walsh to approve Resolution 2022-67 Appointment of Sally McKinley to the Farmer City Public Library Board (replacing Jean Michaels). Seconded by Friedrich. Voting yes: Testory, Strough, Friedrich and Walsh. Councilman McKinley abstained. Motion carried.

EXECUTIVE SESSION

OTHER ITEMS

City Manager report

City manager McLaughlin reminded residents that monthly brush pick up will begin this Wednesday.

Non-agenda items and other business

ADJOURNMENT

MOTION by McKinley to adjourn meeting. Seconded by Friedrich. Voted unanimously. Motion carried.

Angie Wanserski, City Clerk

Vendor Name	Net Invoice Amount	
100		
MIDWEST MAILING AND SHIPPI	561.00	ADM - FOLDER INSERTER
WATTS COPY SYSTEMS INC	195.23	ADM COPIER
City of Farmer City	400.42	ADM
MEDIACOM	136.90	ADM IT
T-MOBILE	31.04	ADM
TECHNOLOGY MANAGEMENT	132.81	IWIN MEMBERSHIP SERVICES
JACOB KING	13.26	TRAINING
City of Farmer City	96.02	POLICE
CAMO'S LAWN AND LANDSCAP	1,050.00	CITY CEMETERY
FRONTIER	32.41	STREET
City of Farmer City	193.83	STREET
NICHOLS, DAVE	116.00	MILEDGE REIMBURSEMENT
CAMO'S LAWN AND LANDSCAP	420.00	WEEDMAN PARK
CAMO'S LAWN AND LANDSCAP	1,080.00	SOUTH PARK
CAMO'S LAWN AND LANDSCAP	250.00	WEEDMAN SPRING CLEANUP
CAMO'S LAWN AND LANDSCAP	500.00	SOUTH PARK CLEANUP
CAMO'S LAWN AND LANDSCAP	300.00	STENSEL PARK
City of Farmer City	366.77	PARK
City of Farmer City	66.44	POOL
Total 100:	5,942.13	
170		
SAM'S DRYWALL	4,980.00	DRYWALL INSTALLATION
Total 170:	4,980.00	
270		
CAMO'S LAWN AND LANDSCAP	390.00	PRAIRIE RIDGE
Total 270:	390.00	
510		
MEDIACOM	167.89	WATER
City of Farmer City	1,639.28	WATER
Total 510:	1,807.17	
520		
CAMO'S LAWN AND LANDSCAP	150.00	CEMETERY LIFT STATION
City of Farmer City	9,775.72	SEWER
Total 520:	9,925.72	
530		
City of Farmer City	2,297.83	ELECTRIC
Total 530:	2,297.83	
Grand Totals:	25,342.85	

ORDINANCE 1084

AN ORDINANCE AMENDING THE APPROVED ANNUAL BUDGET FOR THE CITY OF FARMER CITY FOR THE FISCAL YEAR BEGINNING MAY 1, 2021 AND ENDING APRIL 30, 2022

WHEREAS, the City of Farmer City is an Illinois municipal corporation, organized and operating pursuant to the laws and constitution of the State of Illinois; and

WHEREAS, the City has provided for the preparation and adoption of an Annual Budget;

WHEREAS, the Annual Budget for the City of Farmer City for the fiscal year beginning May 1, 2021 and ending April 30, 2022, as prepared by the Budget Officer for the City and submitted to the Mayor and City Council, was approved by the City Council on April 26, 2021, as provided by statute;

WHEREAS, unexpected expenditures and changes sometimes become necessary during the course of the fiscal year after adoption of the budget.

NOW, THEREFORE BE IT ORDAINED by the City Council of the City of Farmer City, DeWitt County, Illinois, that

Section One: The annual Budget for the City of Farmer City for the fiscal year beginning May 1, 2021 and ending April 30, 2022, is hereby amended as follows, per the attached Exhibit A.

Section Two: This Ordinance shall be in full force and effect from and after its passage and approval as required by law.

Approved and passed this 2nd day of May, 2022.

AYES: ___ NAYS: ___ ABSTAIN: ___ ABSENT: ___

Scott Testory, Mayor

Angie Wanserski, City Clerk

**FARMER CITY BUDGET AMENDMENT ORDINANCE
FOR FY 2021/22**

GENERAL FUND Budget Update

541-612	Streets - Equipment	0	<u>10,500</u>	Lawn mower
		<u>0</u>	<u>10,500</u>	

SEWER FUND

520-451	Health insurance	0	4,000	Trevor Jones enrolled
520-571	Utilities	80,000	97,000	Unexpected high usage
		<u>80,000</u>	<u>101,000</u>	



CITY OF FARMER CITY, ILLINOIS

105 South Main Street
Farmer City, Illinois 61842-0049

Telephone: (309) 928-2842

Facsimile: (309) 928-2228

MEMO

Date: May 2, 2022

To: City Council

From: Sue McLaughlin, ICMA-CM
City Manager

RE: Sand Filters

We have received a federal grant of \$197,619 to replace our sand filters at the Water Treatment Plant. These filters are more than 20 years old and rusting badly.

Since it may be some time before we receive the funds, we are seeking to start the replacement of at least one filter now, while we have the contractor available. Our Superintendent, Calvin Florey, received 3 quotes:

G.A. Rich & Sons	\$76,000
Gasvoda & Associates	\$97,368
Kurita America	\$158,120

We are recommending to hire G.A. Rich & Sons for \$76,000. We are required to pay 20% of the cost anyway, which would be \$39,524 so this is our contribution and we'll get reimbursed for the difference (\$36,476) when the funds are released.

G. A. RICH & SONS, INC.

MECHANICAL & UTILITY CONTRACTOR

204 S PERRY STREET P.O. BOX 50 DEER CREEK, ILLINOIS 61733 (309) 447-6231 FAX (309) 447-6500

PROPOSAL
For
CITY OF FARMER CITY
PRESSURE FILTER REHAB
FARMER CITY, ILLINOIS

April 14, 2022

G. A. Rich & Sons, Inc. is pleased to submit the attached scope and quotation to replace the internals of (1) Pressure Filter at the Water Treatment Plant in Farmer City, Illinois:

Remove existing filter media, airwash grid, and steel underdrain system from (1) pressure filter. Inspect filter tank for any damage and report finds to owner. Weld in new steel supports for new airwash and underdrain system. Abrasive blast interior of vessel to SSPC SP-10 Near White Metal Standard. Apply Stripe Coat of Tnemec N141 coating to all welds, seams, edges, or other irregularities 3-5 Mils DFT. Apply Finish coat of Tnemec N141 coating to all interior surfaces 12-14 Mils DFT. Furnish and install new PVC header-lateral underdrain, new PVC header-lateral airwash grid, gravel support bed, and filter sand. Proposal does include Kurita field service technicians for start-up after repairs.

Any tank repairs will be performed on a time and material basis.

City to provide the following:

- Onsite disposal of old media
- Testing of existing media
- Backwash services when needed
- Chlorine and Bacteria Testing

Total -\$76,000.00

G.A. Rich & Sons would like to offer to dispose of old media after testing is complete.

Should you have any questions or require additional information, please do not hesitate to contact me at 309-447-6231 or Nate Joos at 309-208-8848. Thank you in advance for an opportunity to provide a quotation for this project.

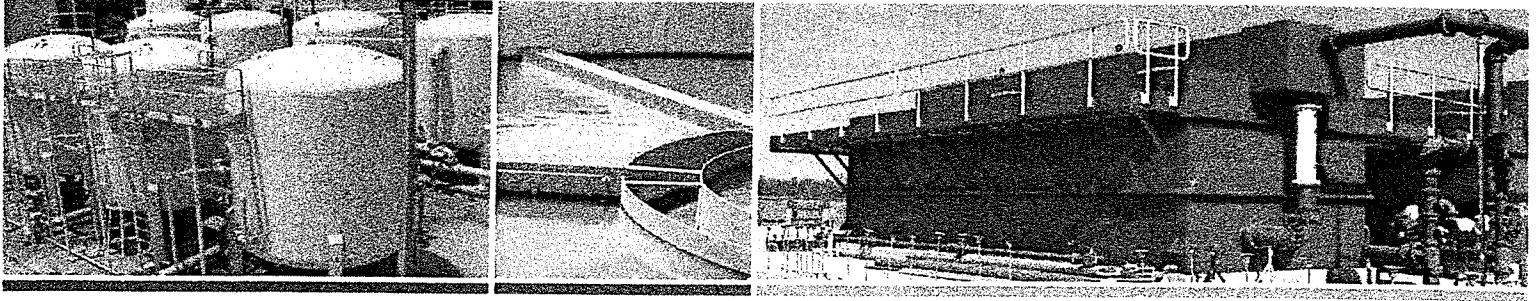
Proposal may be withdrawn by GA Rich if not accepted within 14 working days from the date above.

ACCEPTED BY: _____ DATE: _____

Please acknowledge acceptance by signing and returning one copy.

Respectfully Submitted,

Matt Armstrong
Estimator/Project Manager
matta@garich.com



Quotation

Farmer City, IL Sand Filters

Addressee: GA Rich
Nate Joos

Quotation #: USWTW06022020-1-GAD

Quotation Date: 6/2/20

We are represented on this project by:

Gasvoda Associates

Kurita America Contact:

Gary Duenwald

13305 Water Tower Circle

Plymouth, MN 55441

USA

M-763-280-9393/O-800-530-1887

g.duenwald@uswaterservices.com

FREMONT

 **U.S. WATER**
The future of water

 **TONKAWATER™**



Scope of Work

Tonka Water has been requested to provide a quotation to provide the necessary internal components and labor associated to refurbish (1) existing 7' Diameter vertical pressure filter.

Project timeline is to have the material shipped approx. 6 weeks after the receipt of purchase.

Key benefits of Tonka Water for the Project

- Field Service Technicians with extensive equipment knowledge for start-up after repair.
- Plant operation will run according to Tonka Water Engineering design.

Products Provided

Filter Media

- Tonka Water is to provide new filter sand and support gravel. Media is to be provided in accordance with AWWA B100-2016 specifications for filter material.
- 15" layer of ¾" x ½" support gravel including gravel subfill
- 3" layer ½" x ¼" support gravel
- 3" layer ¼" x 1/8" support gravel
- 24" layer of 0.45-0.55 mm filter sand
- All materials are to be shipped in one or half cubic foot bags and palletized.
- (2) 12" x 16" Manway gaskets.
- Freight to the jobsite is included.

Underdrain System

Underdrain systems include 6" PVC header and 2" laterals, 6" internal pad flange), 6" band clamp, and stainless steel support angles/clips/t-shelf/fasteners. 6" pad flange to be field welded to interior of filter at existing 6" filter effluent pipe. Removal of existing underdrain plate and installation of new header-lateral underdrain system by contractor.

Airwash Grids

Airwash system include 3" PVC header and 3/4" laterals, 3" steel pipe, 6" long, 3" band clamp, and stainless steel support angles/clips/t-shelf/fasteners. 3" steel pipe to be field welded to interior of filter at existing 3" airwash connection.



5. Pipe supports or hangers.
6. Motor starters, motor controls, disconnects, or any other electrical equipment other than those specifically described herein.
7. Electrical wiring or conduit.
8. Chemical feed tubing, conduit piping, hangers or supports.
9. Pumps or pumping equipment other than those specifically described herein.
10. Concrete, concrete grout or rebar.
11. Disinfection or disinfection / start-up chemicals.
12. Lubricants
13. Pneumatic tubing or conduit.
14. Control panel wall mounting material or hardware.
15. Anchor bolts or anchoring calculations, unless specifically described herein.
16. Any items not specifically described in this proposal.
17. Seismic design considerations of equipment unless otherwise noted.

Notes:

Equipment is quoted f.o.b. factory with full freight allowed to the jobsite.

Our proposal does not include any sales or use taxes.

Travel expenses included.

When ordering please include a signed copy of your Sales Tax Exemption certificate.

City to provide a forklift during media installation.

City to disinfect filter prior to start-up service – procedure provided by Kurita America.

City to provide a dumpster for pallets and bag removal.

The attached Kurita America standard Terms and Conditions are incorporated by reference into this quotation, will be a part of any binding agreement between you and Kurita America and cannot be modified by you whether by the terms of your purchase order or otherwise, except to the extent expressly accepted by Kurita America in writing. You agree to abide by the terms of Section 1 (“General”), Section 3 (“Quotations”) and Section 17 (“Confidential Information”) of the Kurita America standard terms and conditions with respect to the information contained in this quotation and any other information provided to you by Kurita America, regardless of whether you submit an order or whether you and Kurita America enter into a binding agreement regarding the purchase of the products described herein.

Please note that a copy of the contractor’s payment and performance bond is required to be forwarded to us as a part of normal credit approval procedures.

Kurita America requires partial payments based on shipped material and purchaser’s account being current prior to scheduling a field technician for equipment start-up.

Kurita America will provide field services as outlined above in this quotation. Kurita America’s field service rate is \$1200.00 per day plus travel and per diem expenses. If Kurita America’s field service personnel arrive on-site after a schedule is established and the project is not ready for the intended services to be performed, Kurita America will invoice for additional days, if required. If the time required is greater than listed in this quotation, Kurita America will invoice purchaser at the above field service rate plus travel and per diem expenses.



the products of an alternate point of delivery. Provided the parties agree a variation to take into account any additional cost [or delay] incurred by Seller in implementing this change, the alternate place of delivery shall become the agreed place of delivery for all purposes under this agreement.

6. Consigned Goods

Buyer shall bear all risk of loss and damage to all consigned goods in Buyer's possession or control, notwithstanding Buyer's exercise of reasonable care. Seller shall have the right to enter Buyer's premises at all reasonable times to inspect such Goods and related records. Upon request, Buyer agrees to return such goods to Seller pursuant to Seller's shipping instructions.

7. Limited Warranties

Seller warrants that the goods shall conform to published specifications and shall be free from defects in material and workmanship when at all times operated in accordance with Seller's written instructions; and that the services will be performed with the degree of skill which can reasonably be expected from a seller engaged in a comparable business and providing comparable services under comparable circumstances. Unless otherwise provided in any warranty schedule that may be attached hereto, the foregoing warranties are valid: (a) for chemicals and services, for 6 months from their date of delivery or the provision of Services; (b) for consumables, including filters and membranes, 12 months from their date of delivery, (c) for goods other than chemicals and consumables, the earlier of, 15 months from receipt, or 12 months from start-up/first use. Unless expressly agreed in a "performance warranty document" signed between the parties on a separate basis, there is no performance warranty on goods and services or warranty on process results. For goods not manufactured by Seller, the warranty shall be the manufacturer's transferable warranty only. Any claim for breach of these warranties must be promptly notified in writing or the claim will be void. Seller's sole responsibility and Buyer's exclusive remedy arising out of or relating to the goods or services or any breach of these warranties is limited to, at Seller's option: (a) replacement of non-conforming goods or refund of purchase price of the non-conforming Goods; and (b) re-performance of the services at issue, or a refund of the amount paid for the Services at issue. No allowance will be made for repairs or alterations made by Buyer without Seller's written consent or approval. Goods may not be returned to Seller without Seller's written permission. Seller will provide Buyer with a "return material authorization" number to use for returned goods. Buyer, as the original purchaser, is not entitled to extend or transfer this warranty to any other party. The foregoing warranties are in lieu of and exclude all other warranties,

statutory, express or implied, including any warranty of merchantability or of fitness for a particular purpose.

8. Use of Equipment, Tanks, and Containers

Tanks and SBC's owned by Seller shall be used only for the storage of goods approved by Seller and, at Seller's request, shall be returned to Seller within thirty (30) days.

9. Compliance with Laws; Permits

Buyer is responsible for compliance with all laws and regulations applicable to the storage, use, handling, installation, maintenance, removal, registration and labeling of all goods from and after Buyer's receipt of the goods, as well as for the proper management and disposal of all wastes and residues (including containers) resulting from Buyer's use of the Goods. Buyer agrees to ensure that all Goods and Services provided to Buyer for export are exported only in compliance with applicable export control laws and regulations. Permits and licenses of a permanent nature, or which are required to operate apparatus or equipment or to use the Goods, shall be procured by Buyer at Buyer's sole expense.

10. Installation

For equipment purchase if applicable, installation costs of the equipment and materials supplied shall be the responsibility of the Buyer, unless otherwise provided within the Seller's proposal. Otherwise, unless stipulated in the Seller's proposal, Buyer agrees to pay for start-up supervision and operator instruction, at the Seller's prevailing rate per day. Buyer also agrees to pay reasonable expenses for transportation room and board for Seller's personnel. Standard terms of sale include two sets of operating instructions. If additional sets are required, they are available at an additional charge. Upon receipt of request for additional sets, a price quotation will be forwarded.

11. Differing Site Conditions And Hazardous Materials

In the event that Seller encounters any Hazardous Materials (shall mean toxic substances, hazardous substances, pollutants, contaminants, regulated wastes, or hazardous wastes as such terms may be defined or classified in any law, statute, directive, ordinance or regulations promulgated by any applicable governmental entity) at the Buyer's site, other than Hazardous Materials introduced by Seller or that are otherwise the express responsibility of Seller under this Agreement, Buyer shall immediately take whatever precautions are required to legally eliminate such hazardous conditions so that the Seller's work under this Agreement may safely proceed.



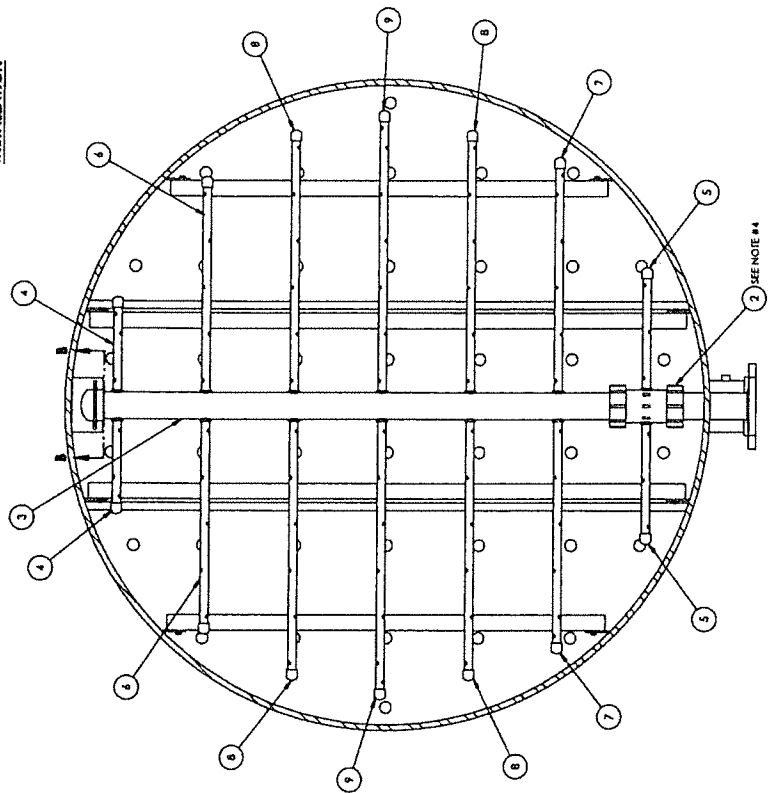
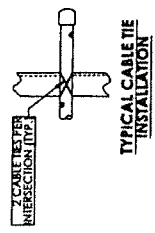
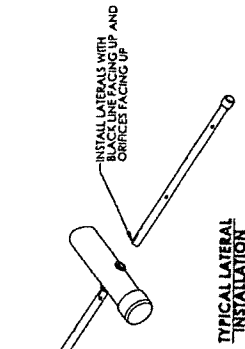
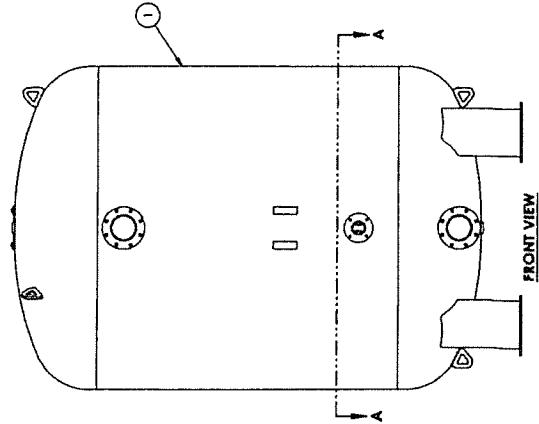
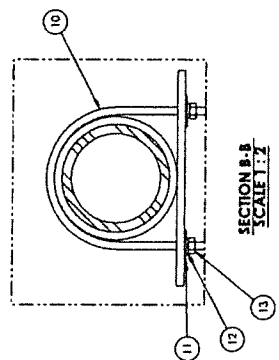
or (b) defaults in its material obligations under this Agreement, and such default is not cured within thirty (30) days. Upon the termination of this Agreement: (a) Buyer agrees to pay for all Goods in Buyer's possession or for which title has passed to Buyer, at current prices or at such other prices as have been agreed to in writing; and (b) all amounts owing, if any, for the equipment or tanks relating to those Goods shall immediately become due and shall be paid within thirty (30) days of receipt of an invoice. In the event of cancellation of an order by Buyer, a cancellation charge will be made against the Buyer, in proportion to the work completed by Seller, or obligated against the order, plus any cancellation charges assessed against Seller by Seller's suppliers.

18. Governing Law and Dispute Resolution

This Agreement shall be governed by the substantive laws of the State of Minnesota. The UN Convention on the International Sale of Goods shall not apply. In the event of a dispute concerning this Agreement, the complaining party shall notify the other party in writing thereof. Management level representatives of both parties shall meet at an agreed location to attempt to resolve the dispute in good faith. Should the dispute not be resolved within thirty (30) days after such notice, the complaining party shall seek remedies exclusively through arbitration. The seat of arbitration shall be the federal district court in Minneapolis, MN, and the rules of the arbitration will be the Commercial Arbitration Rules of the American Arbitration Association, which are incorporated by reference into this clause.

ITEM #	QTY.	PART NUMBER	PWG REV.	DESCRIPTION	STOCK SIZE	CONNECTION TYPE	LENGTH	MATERIAL	INITIATED BY
1	1	00024211	0	VFF	7'-0" DIA.				
2	1	00023298	0	COUPLING, MODIFIED COMPRESSION	3"	SOC	8.5425		TONKA TAG 2
3	1	00023412	A	HEADER, AIRWASH	3"	PE	72.9375		TONKA TAG 2
4	2	00013951	A	LATERAL, AIRWASH	3/4"	PE	13		
5	2	00009035	A	LATERAL, AIRWASH	3/4"	PE	16.5		
6	2	00009548	A	LATERAL, AIRWASH	3/4"	PE	28.5		
7	2	00009548	A	LATERAL, AIRWASH	3/4"	PE	31		
8	4	00009548	A	LATERAL, AIRWASH	3/4"	PE	34.5		
9	2	00009547	A	LATERAL, AIRWASH	3/4"	PE	37		
10	1	00002229		U-BOLT, 3"	1/4-20	TH		304 STAINLESS STEEL	TONKA TAG 2
11	2	00021661		WASHER, FENDER	1/4"			304 STAINLESS STEEL	TONKA TAG 2
12	2	00021661		WASHER, SPLIT LOCK	1/4"			304 STAINLESS STEEL	TONKA TAG 2
13	2	00021652		NUT, FULL HEX	1/4-20			316 STAINLESS STEEL	TONKA TAG 2
14	48	00024332		TIE, CABLE	15"	NYLON			
15	A/R	00023302		CLEANER, PVC SOLVENT	PT				
16	A/R	00023305		CEMENT, PVC SOLVENT	QT				
17	A/R	00021306		SEALANT, TETON	PT				

- NOTES:**
1. PREPARE PIPE ENDS AND FITTINGS WITH PVC SOLVENT CLEANER. JOIN ALL PVC PIPE JIP CONNECTIONS WITH PVC SOLVENT CEMENT.
 2. BOM QUANTITIES ARE FOR ONE (1) TANK. TWO (2) TANKS REQUIRED.
 3. ALL ITEMS ARE INSTALLED BY CONTRACTOR UNLESS OTHERWISE NOTED.
 4. SEAL ALL THREADS WITH # 100 VIRGIN TETON SEALANT ONLY.



TONKA EQUIPMENT COMPANY
 6000 W. 10TH AVENUE, DENVER, CO 80202
 TEL: 303.751.1000 FAX: 303.751.1001
 WWW.TONKA.COM

SECTION A-A SCALE 1:1

FRONT VIEW

SECTION B-B SCALE 1:1

TONKA
 EQUIPMENT COMPANY

D PART NUMBER: 00024210
 REVISION: 0
 DATE: 01/15/03
 DRAWN BY: JLB
 CHECKED BY: JLB
 APPROVED BY: JLB

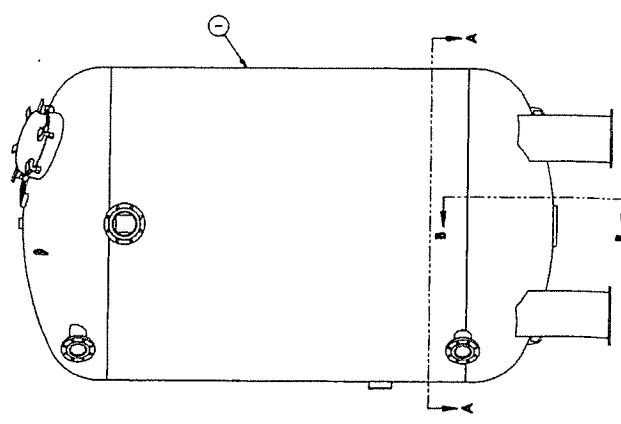
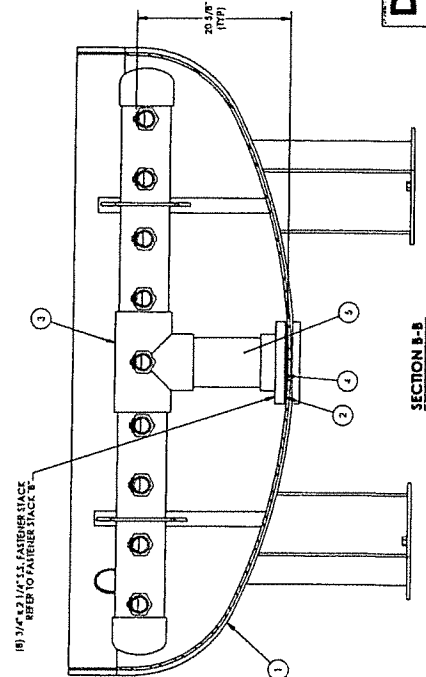
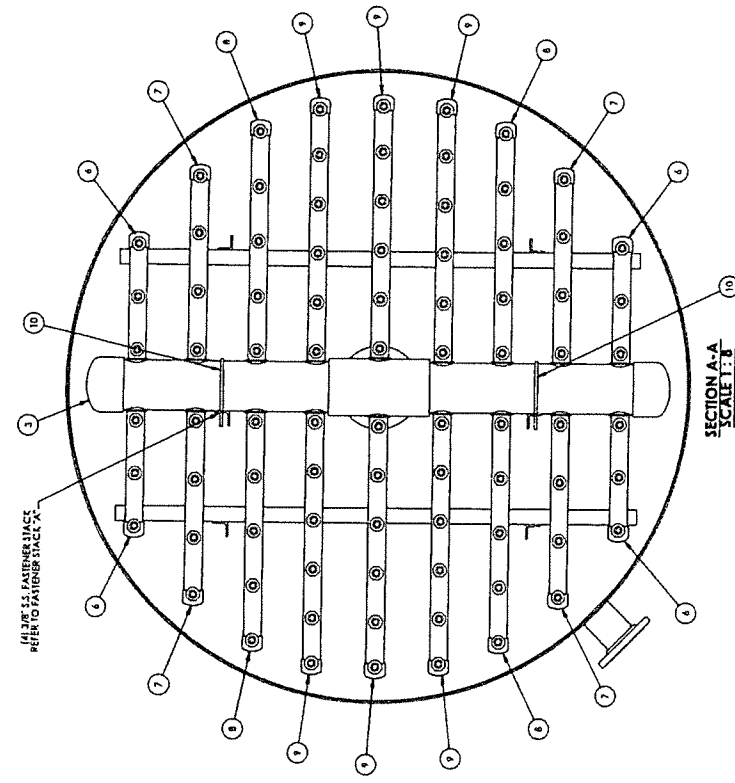
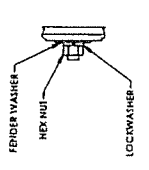
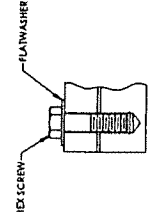
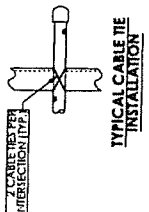
VFF
7'-0" DIA
AIRWASH INSTALLATION DRAWING
 REFERENCE: JK

1 OF 1
00024210

ITEM NO.	QTY.	PART NUMBER	DESC./FROM	STOCK SIZE	CONNECTION TYPE	THICKNESS	LENGTH	MATERIAL
1	1	000557-0	GAC	7'-0" DIA.		1/8"		
2	1	0002295-0	GASSET, FLANGE	6"	LOC		78 1/2"	RUBBER
3	1	0004580-0	HEADER, UNDERDRAIN	6"	LOC	4320	14 15/16"	1/4" X 3/8" PVC
4	1	0003135	FLANGE, VAN STONE	6"	PE & PE		18 5/16"	1/4" X 3/8" PVC
5	1	0004570	PIPE	2"	PE		27 5/16"	
6	1	0004571	LATERAL UNDERDRAIN, 3/4" NOZZLE	2"	PE		33 5/16"	
7	4	0004571	LATERAL UNDERDRAIN, 3/4" NOZZLE	2"	PE		34 5/16"	
8	4	0004571	LATERAL UNDERDRAIN, 3/4" NOZZLE	2"	PE			
9	4	0004571	LATERAL UNDERDRAIN, 3/4" NOZZLE	2"	PE			
10	2	0002291	WASHER, FLAT	3/16"				304 STAINLESS STEEL
11	4	0002291	WASHER, FLAT	3/16"				304 STAINLESS STEEL
12	4	0002453	NUT, FULL HEX	3/16"		2940		304 STAINLESS STEEL
13	4	0002419	SCREW, HEX CAP	3/16"				304 STAINLESS STEEL
14	8	0003847	WASHER, FLAT	3/16"			2 1/4"	304 STAINLESS STEEL
15	8	0002430	TIE CABLE	24"				304 STAINLESS STEEL
16	24	0002430	CLEANER, PVC SOLVENT	PT				NYLON
17	A/R	0002232	CEMENT, PVC SOLVENT	QT				NONE
18	A/R	0002230						NONE

NOTES:

- BOM QUANTITIES ARE FOR ONE (1) VESSEL. FOUR (4) YES/NO (Y/N) REQUIRED.
- * INDICATES THERE IS A DRAWING ASSOCIATED WITH THE PART NUMBER. PART NUMBER IN THE "DRAWING REV." COLUMN INDICATES WHETHER A DRAWING EXISTS FOR THAT ITEM.
- ALL PVC ARE INSTALLED BY TONKA WATER TAG2 UNLESS OTHERWISE NOTED.
- PREPARE PIPE ENDS AND FITTINGS WITH PVC SOLVENT CLEANER. JOIN ALL PVC PIPE CONNECTIONS WITH PVC SOLVENT CEMENT.



TONKAWATER
Trusted systems. Resourceful thinking.
www.tonkawater.com

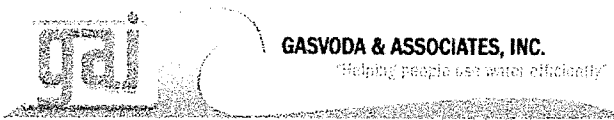
13323 WATER TOWER CIRCLE
FLYING SALES, MO 63041
TEL: 636-337-2200
FAX: 636-337-2201

D DRAWING NO. 2019-001-010
REV. 01/18

13323 WATER TOWER CIRCLE
FLYING SALES, MO 63041
TEL: 636-337-2200
FAX: 636-337-2201

GAC
7'-0" DIA
UNDERDRAIN INSTALLATION DRAWING
NORTH POLE REPAIR - FENT HILLS RESOURCES, AK

1 OF 1
00065739



1530 Huntington Drive
Calumet City, IL 60409
Phone 708-891-4400
Fax 708-891-5786
PROPOSAL

TO: Farmers City

DATE: 4-20-22

PROJECT: Filter Upgrade

ATTN: Calvin Florey

E-MAIL: calvin@mchsi.com

The seller hereby offers the following equipment subject to all terms & conditions noted on this contract:

We are pleased to offer the following proposal for your review and consideration on the above-named project. Kindly review our offer in its entirety and let us know of any further questions or requirements.

Filter Rehab to include:

Removal of existing filter media, airwash grid, and steel underdrain system from (1) pressure filter. Inspect filter tank for any damage and report findings to owner. Weld in new steel supports for new airwash and underdrain system. Abrasive blast interior of vessel to SSPC SP-10 Near White Metal Standard. Apply Stripe Coat of Tnemec N141 coating to all welds, seams, edges, or other irregularities 3-5 Mils DFT. Apply Finish coat of Tnemec N141 coating to all interior surfaces 12-14 Mils DFT. Furnish and install new PVC header-lateral underdrain, new PVC header-lateral airwash grid, gravel support bed, and filter sand. Proposal does include Kurita field service technicians for start-up after repairs for 2 days.

Any tank repairs will be performed on a time and material basis.

City to provide the following:

- Onsite disposal of old media
- Testing of existing media
- Backwash services when needed
- Chlorine and Bacteria Testing

Total Investment... \$97,368

Qualifications Clarifications and/or Exceptions

Our proposal does not include any equipment, materials or services not specifically detailed above.

Our proposal does not include any applicable taxes.

**Subject to and in accordance with the Terms & Conditions listed in this proposal with no exceptions, or alternative pricing will apply.*

This proposal and the attached terms and conditions cannot be modified in any way except by expressed written approval of Gasvoda & Associates, Inc.

TERMS:	NOTICE, NEW TERMS AND CONDITIONS APPLY. SEE ATTACHED SHEET FOR DETAILS.
FREIGHT:	<u> X </u> F.O.B. factory, allowed to jobsite. <u> </u> Prepay and add to invoice
START-UP:	<u> 0 </u> day(s) start up is included. Additional start up, if required, will be billed at our standard rate.
TAXES:	ALL applicable taxes must be added.
SUBMITTAL DATA:	<u> 6 </u> to <u> 8 </u> weeks after receipt of order
DELIVERY:	<u> 18 </u> to <u> 24 </u> weeks after approval and authorization to proceed.
DURATION:	This proposal is valid for 30 days after which we reserve the right to review or withdraw.

GASVODA & ASSOCIATES, INC.

ACCEPTED:

(Authorized signature)

BY: Ryan Gasvoda

Title: _____

Date _____

AUTHORIZATION TO PROCEED:

Authorization to proceed with placing the proposed equipment on order must be acknowledged by the return of this document properly executed where required. Such acknowledgment will be considered as your acceptance of this proposal understanding the terms & conditions stated above and at the end of this proposal. No submittals will be started and no equipment will be released to manufacturing prior to our receiving your formal authorized return of this document.

Thank you for the opportunity to provide our proposal. Please do not hesitate to call with any further questions or requirements.

Please be sure to fill in the required “**Ship To**” information below and return it at the time of placing your order. Failure to do so will result in shipment of the equipment to the Buyers address.

BILL TO:	_____	SHIP TO:	_____
	_____		_____
	_____		_____
	_____		_____

CONTACT PERSON:

PHONE: _____

PURCHASE ORDER NUMBER: _____

SPECIAL MARKINGS: _____

TAXABLE: _____

TAX ID#: _____

GASVODA & ASSOCIATES INC. TERMS AND CONDITIONS OF SALE

TERMS

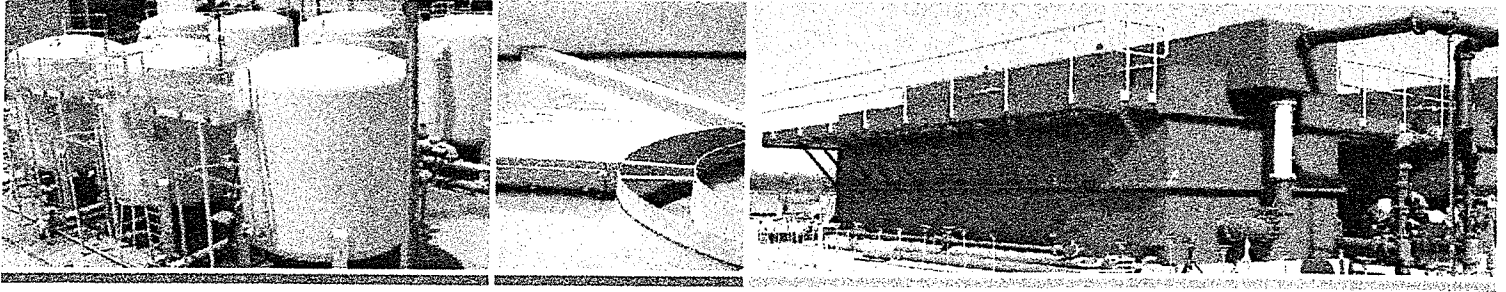
1. Terms of payment are 100% net due 30 days from "date of shipment & invoice" for all orders less than \$100,000.
2. Terms and conditions for orders totaling more than \$100,000.00 are based on progress payments as follow:
 - A) 10% of net order total due upon delivery of submittal data for review and approval with no retainage allowed.
 - B) 10% of remaining net order total due at time of release to production with no retainage allowed.
 - C) Entire balance of remaining net order total due within 30 business days after delivery and invoicing with no retainage allowed.

Start-up services will not be scheduled prior to receipt of full and final payment, with no exceptions.

CONDITIONS

1. General
Subject only to any credit terms which Seller may extend, the total purchase price hereunder is due at such time, within or after the estimated shipment period specified on the face hereof, as said equipment is ready to be shipped. Buyer shall pay in full all invoices within the time for payment specified therein and BUYER'S PAYMENT OBLIGATION IS NO WAY DEPENDENT OR CONTINGENT UPON BUYER'S RECEIPT OF PAYMENT FROM ANY OTHER PARTY. Any balance owed by Buyer for 30 days or more after the same becomes due is subject to a 1-1/2% per month delinquency charge until paid. In addition to all other amounts due hereunder, Buyer shall reimburse Seller in full for all collection costs or charges, including reasonable attorney's fees, which Seller may incur with respect to the collection of past due amounts from Buyer.
2. Warranty
Seller warrants only that said equipment is free from defects in materials and workmanship as set forth in Seller's standard Certificate of Warranty furnished to Buyer at the time of final shipment. Seller makes no other warranty concerning said equipment beyond that set forth in said Certificate and expressly disclaims any warranty of merchantability or fitness for any particular process not described in the applicable drawings and specifications.

Seller's sole responsibility with respect to any equipment which proves to be defective as to materials or workmanship is either to replace or to repair the same as is set forth in said Certificate of Warranty. Unless authorized in writing by Seller, Seller is not responsible for any charge or expense incurred for the modification, servicing or adjusting of said equipment after the same has been delivered to Buyer.
3. Liability of Seller
Seller is not liable in any event hereunder for any consequential, incidental, or liquidated damages or penalties.
4. Claim Period
Buyer shall immediately inspect said equipment upon receipt thereof. Seller is not obligated to consider any claim for shortages or non-conformance unless notified thereof by Buyer within 10 days after Buyer's receipt of said equipment.
5. Cancellation
Should Buyer cancel this agreement without Seller's prior written consent, Seller may, at its option, recover from Buyer a cancellation charge of not less than 20% of the purchase price hereunder.
6. Taxes
Sale may be subject to state sales tax depending on the state. Gasvoda & Associates requires proof of exemption for all nontaxable sales. Regardless of exemption status, Gasvoda & Associates proposal does not include any sales tax. Payment of any sales tax remains the responsibility of the purchaser.
7. Storage
If at such time, within or after the estimated shipment period specified on the face hereof, as Seller notifies Buyer that said equipment is ready to be shipped Buyer requests a delay in shipment, Seller may, at its option, agree to store said equipment for a period of time determined by Seller, provided that such agreement will not affect Buyer's obligation to pay in full all invoices as they become due, and provided further that for each month, or portion thereof, said equipment is stored by Seller, Buyer shall pay to Seller as a storage fee an amount equal to 1% of the balance due hereunder.
8. Drawings, Illustrations and Manuals
Catalog and proposal drawings, bulletins, and other accompanying literature are solely for the purpose of general style, arrangement and approximate dimensions. Seller may make any changes Seller deems necessary or desirable.
9. Insurance
We have made no allowances for special insurance requirements including but not limited to "Waiver of Subrogation", "Form GC2010", liquidated damages, or anything beyond what is specifically spelled out as being included herein. We reserve the right to amend our offering for anything required outside of the specific items/services spelled out as being included. An exception must be in writing and authorized by Gasvoda & Associates.
10. Start Up
NO START UP WILL BE MADE PRIOR TO 100% PAYMENT. Warranty is invalid without authorized start up.



Quotation

**Farmer City, IL
7' Dia. Sand Filter**

Addressee: Farmer City, IL
Quotation #: KATW04142022-2TDS
Quotation Date: 4/14/22

We are represented on this project by:

Ryan Gasvoda
708-701-1274
www.gasvoda.com



Kurita America Contact:
Tyler Skarolid
6600 94th Ave. North
Minneapolis, MN 55445
USA
800-530-1887
t.skarolid@kurita-water.com

Pricing is valid for 14 days



ABOUT KURITA AMERICA

Kurita America is a designer and manufacturer with 70 years of experience in providing customized water and wastewater systems to municipal and industrial customers with more than 2300 installations. Engineering cost-effective solutions for the most challenging surface water and ground water problems.

Key packaged solutions

- Clarification
- Membrane systems
- Filtration
- Ion Exchange
- Metals removal
- Kurita America Aftermarket Service and Sales is continually offering new products and services to extend equipment life, reduce water and energy usage, and replace end of life equipment.
 - Refurbishments
- Turn-key services matching original specifications
- Simul-Wash™ – simultaneous air & water backwash system
- BLEU™ –low profile SS dual underdrain
- Uni-Cast™ Underdrain – pour in place
 - Media Replacement and Analysis
- Turn-key removal and installation
- Inventoried anthracite, Sand, garnet, gravel and greensand
 - Parts
- Full line of OEM parts
- Chemical feed equipment
- Valves and valve rebuild parts
 - Automation and Controls
- Factory remote support and monitoring
- SCADA compliant and control
- Allen Bradley control upgrades, PLC & HMI and obsolete replacement
- Compliance reporting and trending
- Custom functional modification for ease of use like screens, tablets, PCs
- Security – firmware, smart switch

• Service packages and parts

- Filter media replacement
- Original equipment manufacturer parts
- Full array of water related parts
- Troubleshooting
- Upgrades and refurbishment
- Site-based services
- Underdrain nozzles and replacement
- System enhancements
- Design-Build-Operate-Maintain solutions for industrial water/wastewater facilities
- Disinfection services and media treatment services
- Meets AWWA and NSF standards
- Stocked sealing and control components
- Aerator packing materials

FREMONT



U.S. WATER



TONKA WATER



Scope of Work

Kurita America has been requested to provide a quotation to provide the necessary internal components associated to refurbish (1) existing 7' Diameter vertical pressure filter.

Project timeline is to have the material shipped in 6 weeks after the receipt of purchase.

Key benefits of Kurita America for the Project

- Field Service Technicians with extensive equipment knowledge for start-up after repair.
- Plant operation will run according to Kurita America Engineering design.

Products Provided

Filter Media

- Kurita America is to provide new filter sand and support gravel. Media is to be provided in accordance with AWWA B100-2016 specifications for filter material.
- 3" layer of ¾" x ½" support gravel
- 3" layer ½" x ¼" support gravel
- 3" layer ¼" x 1/8" support gravel
- 24" layer of 0.45-0.55 mm filter sand
- All materials are to be shipped in one or half cubic foot bags and palletized.
- (2) 12" x 16" Manway gaskets.
- Freight to the jobsite is included.

Underdrain System

Underdrain systems include 6" PVC header and 2" laterals, 6" internal pad flange), 6" band clamp, and stainless steel support angles/clips/t-shelf/fasteners. 6" pad flange to be field welded to interior of filter at existing 6" filter effluent pipe. Removal of existing underdrain plate and installation of new header-lateral underdrain system by contractor. Installation of concrete subfill by contractor.



Pricing

Budget Table	
Gravels, Media, Nozzles, Underdrain Assemblies, Airwash Assemblies, Gaskets, Freight	\$21,970.00
Kurita America Service Technician – start-up service	\$7,250.00
Labor to Remove and Install Media and Internals	\$128,900.00
TOTAL (USD)	\$158,120.00

Pricing is good for 14 days

Kurita bases this proposal on the invoice schedule as shown below:

- 90% Upon Shipment of Materials**
- 10% Upon Services**

Delivery:

1. Shipment of equipment will be made in approximately 6 weeks after receipt of Purchase Order.

**The attached CONDITIONS OF SALE AND WARRANTIES that are incorporated herein.
For your convenience, this sheet may be used as your order for this equipment.**

Items Ordered	_____
P.O. Number	_____
Total Net Price	_____
Firm Name and Address	_____
By (Print)	_____
Signature	_____
Date	_____

Kurita America Inc.
Purchase orders should be addressed to: Kurita America Inc. 6600 94th Ave. N. Minneapolis, MN 55445

We do not include the following:





Airwash Grids

Airwash system include 3" PVC header and 3/4" laterals, 3" steel pipe, 6" long, 3" band clamp, and stainless steel support angles/clips/t-shelf/fasteners. 3" steel pipe to be field welded to interior of filter at existing 3" airwash connection.

Removal and Installation Services

- Kurita America is to provide a high velocity high vacuum industrial vacuum truck operation for the removal of existing filter media from the vertical pressure vessel. Once collected in the vacuum truck, the media will be taken to a designated area onsite assigned by the customer. Media will be left on site.
- Kurita America offers an entire crew for the removal of the existing damaged media and the installation of the new media and graded gravels into the vertical pressure vessel.
- Filter media will be installed in strict accordance with AWWA B100-2016 specifications for filtering material. All personnel involved in media installation are qualified under the confined space entry program. All personnel have received specified training according to OSHA25-SCFR 1910.120 including, but not limited to, confined space entry and rescue, fall arrest and lockout/tag out procedures and other specified training. Before entry into any confined space, the air will be monitored for appropriate oxygen and LEL levels. Upon completion of an air test, confined space entry permits will be filled out by the supervisor and posted near the entry point. An individual will be present at all times at the entry point.
- **Please note: If media has become solidified and/or calcified and cannot be lifted by a high velocity vacuum truck, additional labor and charges will apply.**

Start-up Services

Kurita America's Service technician to be onsite for 2 days to ensure filter backwash sequence and flow rates are within specification. Additional inspection as time allows.



1. Mechanical or electrical installation.
2. Unloading or rigging.
3. On-site storage or protection of equipment.
4. Disinfection or disinfection / start-up chemicals.
5. Any items not specifically described in this proposal.

Notes:

Equipment is quoted f.o.b. factory with full freight allowed to the jobsite.

Our proposal does not include any sales or use taxes.

Travel expenses included.

When ordering please include a signed copy of your Sales Tax Exemption certificate.

City to disinfect filter prior to start-up service.

The attached Kurita America standard Terms and Conditions are incorporated by reference into this quotation, will be a part of any binding agreement between you and Kurita America and cannot be modified by you whether by the terms of your purchase order or otherwise, except to the extent expressly accepted by Kurita America in writing. You agree to abide by the terms of Section 1 ("General"), Section 3 ("Quotations") and Section 17 ("Confidential Information") of the Kurita America standard terms and conditions with respect to the information contained in this quotation and any other information provided to you by Kurita America, regardless of whether you submit an order or whether you and Kurita America enter into a binding agreement regarding the purchase of the products described herein.

Please note that a copy of the contractor's payment and performance bond is required to be forwarded to us as a part of normal credit approval procedures.

Kurita America requires partial payments based on shipped material and purchaser's account being current prior to scheduling a field technician for equipment start-up.

Kurita America will provide field services as outlined above in this quotation. Kurita America's field service rate is \$1200.00 per day plus travel and per diem expenses. If Kurita America's field service personnel arrive on-site after a schedule is established and the project is not ready for the intended services to be performed, Kurita America will invoice for additional days, if required. If the time required is greater than listed in this quotation, Kurita America will invoice purchaser at the above field service rate plus travel and per diem expenses.



Conditions of Sale and Warranties

1. Exclusive Terms and Conditions

Together with any other terms the parties agree to in writing, these terms and conditions of sale form the exclusive terms ("Agreement") whereby Buyer agrees to purchase, and Seller agrees to sell goods and provide advice, instruction and other services in connection with the sale of those goods ("Services"). Notwithstanding any provisions communicated in any way by Buyer to Seller prior to this agreement including any terms contained in any request for quote by Buyer, Buyer agrees that this agreement will control the relationship by accepting goods and services from Seller, even if Buyer sends to Seller other terms and conditions to which Seller may not respond.

2. Buyer Obligations

Seller will not control the actual operation of either Buyer's systems or goods at the site, and unless otherwise specifically agreed in writing, installation of goods shall be the responsibility of Buyer. Goods and services provided hereunder are based upon the information Buyer makes available to Seller, and Seller reserves the right to utilize the most compact and feasible design compatible with sound engineering practices, and to make changes in details of design, construction and arrangement of goods unless precluded by limitations (including, but not limited to actual space and feed water/substance quality specifications) specified by Buyer in writing at the time an order is placed. If no such limitations are specified, Seller shall not be held responsible for incompatibility of the goods and services due to changes in feed water/substance quality specifications or site conditions nor for incompatibility with actual space or design limitations, which were not initially disclosed by Buyer and become apparent at a later date. For services to be accurate and goods to work as intended, Buyer must fulfill the following obligations ("Obligations"):

- (a) provide Seller complete and accurate information and data relevant to the scope of work to be provided, such as information related to Buyer's site conditions, systems, related equipment and processes, feed water or other substances to be treated or measured with the Goods, including any hidden, unapparent, or changing conditions that may affect the effectiveness of the Goods;
- (b) operate all related systems and the goods within the agreed to control parameters or, if none, within Industry customary operating conditions;
- (c) maintain all related systems and Goods in good operating condition and repair; and
- (d) maintain and handle goods in a proper and safe manner.

If Buyer fails to fulfill the foregoing obligations, Seller shall be relieved of any obligations with respect to warranties or any other commitments made to Buyer in writing, and

Seller shall have no liability for any loss, damage or injury which Buyer may sustain or for which Buyer may be liable.

3. Payment and Prices

Unless otherwise specified in writing in section 10 of this proposal document, payment is due net thirty (30) days from the date of Seller's invoice. If Seller shall have any doubt at any time as to Buyer's ability to pay, Seller may decline to make deliveries except on receipt of satisfactory security. The prices quoted herein do not include taxes. Buyer shall be directly responsible, and reimburse Seller, for the gross amount of any present or future sales, use, excise, value-added, or other similar tax applicable to the price, sale of delivery of any products or services furnished hereunder. Buyer shall furnish Seller with evidence of exemption acceptable to the taxing authorities if applicable. [For multi-year agreements, pricing stated shall remain firm for 12 months, after which Seller shall be entitled to adjust pricing upward on an annual basis according to the designated formula used by Seller in Buyer's country and which shall be notified to Buyer.] Unless otherwise specified, all prices are ExWorks Seller's facility. Buyer agrees to reimburse Seller for collection costs, including 2% interest per month, should Buyer fail to timely pay. Buyer shall have no rights to any setoffs of any nature relating to any payments due under the agreement.

4. Payment for Excessive Usage; Lost and Damaged Goods

If payment for goods is based on some factor other than the actual amount of goods delivered (e.g., payment is for a fixed amount, or based on usage or production), then Buyer agrees to pay for all Goods (a) consumed as a result of Buyer's failure to comply with obligations as set forth in Section 2; or (b) lost or damaged after delivery to Buyer. Buyer shall provide Seller all information necessary to calculate amounts due and enable Seller to audit those records.

5. Deliveries

Unless stated otherwise in the proposal, Seller shall deliver all products to Buyer EXW Seller's facility, place of manufacture, or warehouse, according to INCOTERMS 2000. Shipment dates, if applicable, noted in this proposal represent Seller's best estimate of probable delivery time considering conditions known at the time this Proposal was prepared. Upon acceptance of Buyer's purchase order or, where specified in the purchase order, upon receipt of Buyer's notification to proceed with fabrication of equipment that satisfies Seller's requirements for meeting the delivery schedule, Seller shall commence fabrication of equipment. The place of delivery specified therein shall be firm and fixed, provided that Buyer may notify Seller no later than 45 days prior to the scheduled shipment date of



the products of an alternate point of delivery. Provided the parties agree a variation to take into account any additional cost [or delay] incurred by Seller in implementing this change, the alternate place of delivery shall become the agreed place of delivery for all purposes under this agreement.

6. Consigned Goods

Buyer shall bear all risk of loss and damage to all consigned goods in Buyer's possession or control, notwithstanding Buyer's exercise of reasonable care. Seller shall have the right to enter Buyer's premises at all reasonable times to inspect such Goods and related records. Upon request, Buyer agrees to return such goods to Seller pursuant to Seller's shipping instructions.

7. Limited Warranties

Seller warrants that the goods shall conform to published specifications and shall be free from defects in material and workmanship when at all times operated in accordance with Seller's written instructions; and that the services will be performed with the degree of skill which can reasonably be expected from a seller engaged in a comparable business and providing comparable services under comparable circumstances. Unless otherwise provided in any warranty schedule that may be attached hereto, the foregoing warranties are valid: (a) for chemicals and services, for 6 months from their date of delivery or the provision of Services; (b) for consumables, including filters and membranes, 12 months from their date of delivery, (c) for goods other than chemicals and consumables, the earlier of, 15 months from receipt, or 12 months from start-up/first use. Unless expressly agreed in a "performance warranty document" signed between the parties on a separate basis, there is no performance warranty on goods and services or warranty on process results. For goods not manufactured by Seller, the warranty shall be the manufacturer's transferable warranty only. Any claim for breach of these warranties must be promptly notified in writing or the claim will be void. Seller's sole responsibility and Buyer's exclusive remedy arising out of or relating to the goods or services or any breach of these warranties is limited to, at Seller's option: (a) replacement of non-conforming goods or refund of purchase price of the non-conforming Goods; and (b) re-performance of the services at issue, or a refund of the amount paid for the Services at issue. No allowance will be made for repairs or alterations made by Buyer without Seller's written consent or approval. Goods may not be returned to Seller without Seller's written permission. Seller will provide Buyer with a "return material authorization" number to use for returned goods. Buyer, as the original purchaser, is not entitled to extend or transfer this warranty to any other party. The foregoing warranties are in lieu of and exclude all other warranties,

statutory, express or implied, including any warranty of merchantability or of fitness for a particular purpose.

8. Use of Equipment, Tanks, and Containers

Tanks and SBC's owned by Seller shall be used only for the storage of goods approved by Seller and, at Seller's request, shall be returned to Seller within thirty (30) days.

9. Compliance with Laws; Permits

Buyer is responsible for compliance with all laws and regulations applicable to the storage, use, handling, installation, maintenance, removal, registration and labeling of all goods from and after Buyer's receipt of the goods, as well as for the proper management and disposal of all wastes and residues (including containers) resulting from Buyer's use of the Goods. Buyer agrees to ensure that all Goods and Services provided to Buyer for export are exported only in compliance with applicable export control laws and regulations. Permits and licenses of a permanent nature, or which are required to operate apparatus or equipment or to use the Goods, shall be procured by Buyer at Buyer's sole expense.

10. Installation

For equipment purchase if applicable, installation costs of the equipment and materials supplied shall be the responsibility of the Buyer, unless otherwise provided within the Seller's proposal. Otherwise, unless stipulated in the Seller's proposal, Buyer agrees to pay for start-up supervision and operator instruction, at the Seller's prevailing rate per day. Buyer also agrees to pay reasonable expenses for transportation room and board for Seller's personnel. Standard terms of sale include two sets of operating instructions. If additional sets are required, they are available at an additional charge. Upon receipt of request for additional sets, a price quotation will be forwarded.

11. Differing Site Conditions And Hazardous Materials

In the event that Seller encounters any Hazardous Materials (shall mean toxic substances, hazardous substances, pollutants, contaminants, regulated wastes, or hazardous wastes as such terms may be defined or classified in any law, statute, directive, ordinance or regulations promulgated by any applicable governmental entity) at the Buyer's site, other than Hazardous Materials introduced by Seller or that are otherwise the express responsibility of Seller under this Agreement, Buyer shall immediately take whatever precautions are required to legally eliminate such hazardous conditions so that the Seller's work under this Agreement may safely proceed.

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U.S. WATER



TONKA WATER



12. Emergencies

In the event an emergency condition should occur where the protection of either the plant equipment, employees at site, or the surrounding community are threatened, Seller may procure the required and necessary equipment, personnel, or subcontract support. Seller must provide immediate notice to Buyer regarding the emergency and then provide a report after reviewing the events and itemizing all expenditures. Buyer will reimburse Seller for all emergency related expenses.

13. Excusable Delay/Non-Performance

Seller shall not be liable nor in breach or default of its obligations under this Agreement to the extent performance of such obligations is delayed or prevented, directly or indirectly, due to causes beyond the reasonable control of Seller, including, but not limited to: acts of God, fire, terrorism, war (declared or undeclared) epidemics, material shortages, insurrection, act (or omissions) of Buyer or Buyer's suppliers or agents, any act (or omission) by any governmental authority, strikes, labor disputes, transportation shortages, or vendor non-performance. The delivery or performance date shall be extended for a period equal to the time lost by reason of delay or non-performance, plus such additional time as may be necessary to overcome the effect of the delay or non-performance. If Seller is delayed by any acts (or omissions) of Buyer, or by the prerequisite work of Buyer's other contractors or suppliers, Seller shall be entitled to an equitable price and performance adjustment as applicable.

14. Confidentiality and Intellectual Property

Both parties agree to keep confidential the other party's proprietary non-public information, if any, which may be acquired in connection with this Agreement. Buyer will not, without Seller's advance written consent, subject Goods to testing, analysis, or any type of reverse engineering. Seller retains all intellectual property rights including copyright which it has in all drawings and data or other deliverables supplied or developed under this Agreement, subject to Buyer's right to use such drawings and data for its own use without additional cost. Buyer acknowledges that Seller is in the business of selling the Goods subject to this Agreement and agrees that it will not file patent applications on the Goods, or processes and methods of using the Goods, without Seller's express written permission. Buyer further agrees that in any event any such patents will not be asserted against Seller or its customers based upon purchase and use of such Goods. Buyer shall be fully liable for any infringement of patent rights of third parties arising out of the products supplied hereunder where the construction, and other characteristics of such products including modification of the Goods and Services, is prescribed to the Seller, or completed independently, by

the Buyer or agent(s). Buyer shall fully defend and indemnify the Seller in case of such claim(s). Any software Seller owns and provides pursuant to this Agreement shall remain Seller's property. Seller provides to Buyer a limited, non-exclusive and terminable license to such software for the term of this Agreement. Buyer agrees not to copy, sublicense, translate, transfer, reverse engineer, or decode the software. Unless otherwise expressly agreed by Seller, this license shall terminate and the software shall be returned to Seller upon termination of this Agreement, or the material breach of the terms in this section.

15. Limitation on Liability

To the extent permitted by law, the total liability of the Seller for all claims arising out of or relating to the performance or breach of this Agreement or use of any Goods or Services shall not exceed the annual contract value of this Agreement. Seller shall not be liable for any advice, instruction, assistance or any services that are not required under this Agreement or for which Seller does not charge Buyer. In no event will either party be liable to the other for lost profits or revenues, cost of capital or replacement or increased operating costs, lost or decreased production, claims of Buyer's customers for such damages or any similar or comparable damages, or for any incidental, special, consequential or indirect damages of any type or kind, irrespective of whether arising from actual or alleged breach of warranty, indemnification, product liability or strict liability, or any other legal theory. If Buyer is supplying Seller's Goods or Services to a third party, Buyer shall require the third party to agree to be bound by this clause. If Buyer does not obtain this agreement for Seller's benefit for any reason, Buyer shall indemnify and hold Seller harmless from all liability arising out of claims made by the third party in excess of the limitations and exclusion of this clause.

16. Conflicts; Survival, Assignment

If there is any conflict between this Agreement and any written proposal or quotation provided by Seller, then the terms and conditions set forth in the proposal or quotation shall prevail. If any term or condition of this Agreement or any accompanying terms and conditions are held invalid or illegal, then such terms and conditions shall be reformed to be made legal or valid, or deleted, but the remaining terms and conditions shall remain in full force and effect, and the Agreement shall be interpreted and implemented in a manner which best fulfills our intended agreement. This Agreement may only be assigned by Seller to any affiliate.

17. Termination and Cancellation

This Agreement and any performance pursuant to it may be terminated or suspended by either party if the other party (a) is the subject of bankruptcy or insolvency proceedings;

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or (b) defaults in its material obligations under this Agreement, and such default is not cured within thirty (30) days. Upon the termination of this Agreement: (a) Buyer agrees to pay for all Goods in Buyer's possession or for which title has passed to Buyer, at current prices or at such other prices as have been agreed to in writing; and (b) all amounts owing, if any, for the equipment or tanks relating to those Goods shall immediately become due and shall be paid within thirty (30) days of receipt of an invoice. In the event of cancellation of an order by Buyer, a cancellation charge will be made against the Buyer, in proportion to the work completed by Seller, or obligated against the order, plus any cancellation charges assessed against Seller by Seller's suppliers.

18. Governing Law and Dispute Resolution

This Agreement shall be governed by the substantive laws of the State of Minnesota. The UN Convention on the International Sale of Goods shall not apply. In the event of a dispute concerning this Agreement, the complaining party shall notify the other party in writing thereof. Management level representatives of both parties shall meet at an agreed location to attempt to resolve the dispute in good faith. Should the dispute not be resolved within thirty (30) days after such notice, the complaining party shall seek remedies exclusively through arbitration. The seat of arbitration shall be the federal district court in Minneapolis, MN, and the rules of the arbitration will be the Commercial Arbitration Rules of the American Arbitration Association, which are incorporated by reference into this clause.

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