

**Memorandum
Public Works Department**



To: City Manager
Subject: Wastewater Screw Pump Replacement
Date: July 27, 2011
Number: 2011-231

At the Mill Street Wastewater Treatment Plant there are currently three (3) Externalift Screw Pump Assemblies, of which, only one is fully functional. These screw pump assemblies are critical for the transfer of return activated sludge from the secondary clarifiers to the aeration basins. One screw pump assembly has flights that are either missing or irreparable and a second screw pump assembly has a cracked shaft rendering it out of service. The screw pump assembly with the damaged flights is operating at approximately 75% efficiency. These assemblies are specifically designed to fit our current application and can only be purchased from Siemens Industry, Inc. The normal purchase price for three assemblies is \$169,167.00, but a reduced price of \$133,682.00 has been negotiated, for an overall savings of \$35,488.00. An amount of \$59,200.00 has already been budgeted for this year to replace the screw pump with the damaged flights; however, the failure of a second screw pump was not anticipated. Approximate delivery time is expected to be 9-12 weeks from the date the order is placed. The original assemblies, installed in 1972 and after nearly 40 years of service, have exceeded their useful service life.

Accompanying this memorandum are pictures of the damaged screw pumps and the proposal from Siemens Industry, Inc. for three (3) complete Externalift Screw Pump Body Assemblies. This proposal is valid for 30 days from July 15, 2011.

Recommendation

The Public Works Department recommends that the City Council approve the purchase of three complete Externalift Screw Pump Assemblies in the amount of \$133,682.00

Vendor: Siemens Industry, Inc.
Payment Amount: \$133,682.00
Account Chargeable:
Fund: 506 Wastewater Operations and Maintenance
Division: 618 Utilities Services
Cost Center: 341 Wastewater Mill Street Plant
Object Code: 52305 Auto/Equip Supplies

Requisition Number:
Purchase Order Number:

Submitted by: Robert T. Hawes, P.E., Assistant City Manager/Public Works Director
Larry P. Cook, Utilities Superintendent
Randall S. James, Wastewater Treatment Plant Supervisor

Approved by: John C. Phillips, City Manager

EQUIPMENT PROPOSAL

Project Name

City of Rock Island

Public Works

Rock Island, IL

Proposal Date

July 15, 2011 / Rev. A-July 28, 2011

Proposal Number

07-15-2011-ESP-CM-Rev. A

Charles McGraw

Siemens Industry, Inc.

Water Technologies

1828 Metcalf Avenue

Thomasville, GA 31792

Phone: 229-226-8797

Fax: 229-228-0312

Our Sales Representative:

Peterson and Matz, Inc.

Dean Wiebenga

PH 847.844.4405

Fax 847.844.4409

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EQUIPMENT PROPOSAL

07-15-2011-ESP-CM-Rev. A

Siemens is pleased to provide a proposal to furnish and Install the following equipment. Siemens Standard Terms of Sales and Installation Services apply.

General Description: Externalift (Spiralift) Screw Pump Body Assembly 42" Diameter

Scope of Supply:

- Externalift Screw Pump Body Assembly, 42 Dia. X 29'-1-1/4" overall length with 1/4" thick torque tube – Same as previously supplied on the original installation project # 10216, original manufacturing drawing # 3200-6820-4000, modified and updated per current standards, fit and function unchanged.
- Freight to job site is included.

Exceptions:

- Siemens Water Technologies is not responsible for the disposal of any materials.
- Any item not specifically included in this proposal is excluded from this proposal.
- No Grouting of any type included.
- No Lubrication system is included.
- No on-site service included.

WARRANTY:

- Standard 12 months from acceptance, not to exceed 18 months from shipment.

PRICE for equipment : Quantity of (1) \$56,389.00, Quantity of (2) \$90,371.00, and for Quantity of (3) \$133,682.00, F.O.B. Jobsite,
Taxes not included.

Delivery is (18-22) weeks after receipt and acceptance of a purchase order and signed proposal.

Price and delivery listed is valid for 30 days from date of this proposal.

Freight is included in the pricing.

Payment Terms are:

10% net 30 days after invoice upon order acceptance.

20% net 30 days after invoice upon approved submittal or release to manufacturing.

60% net 30 days after invoice upon shipment or offer to ship.

10 % net 30 days after invoice upon start up not to exceed 90 days after shipment.

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The above equipment is offered to meet the intent of the project to the extent that they relate to the equipment as detailed and offered herein. Any changes or additions required by the customer or otherwise necessary to meet the requirements will be at the Purchaser's expense.

There are attachments to this form and they are a part of the Contract. Siemens is not responsible for wiring or warranty for any item not furnished by Siemens.

Authorization to proceed: (Signature)

Date: _____

Printed Name and title: _____

STANDARD TERMS OF SALE

1. Applicable Terms. These terms govern the purchase and sale of the equipment and related services, if any (collectively, "Equipment"), referred to in Seller's purchase order, quotation, proposal or acknowledgment, as the case may be ("Seller's Documentation"). 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 or different terms in any of Buyer's forms or documents.
2. Payment. Buyer shall pay Seller the full purchase price as set forth in Seller's Documentation. Unless Seller's Documentation provides otherwise, freight, storage, insurance and all taxes, duties or other governmental charges relating to the Equipment shall be paid by Buyer. If Seller is required to pay any such charges, Buyer shall immediately reimburse Seller. All payments are due within 30 days after receipt of invoice. Buyer shall be charged the lower of 1 ½% interest per month or the maximum legal rate on all amounts not received by the due date and shall pay all of Seller's reasonable costs (including attorneys' fees) of collecting amounts due but unpaid. All orders are subject to credit approval.
3. Delivery. Delivery of the Equipment shall be in material compliance with the schedule in Seller's Documentation. Unless Seller's Documentation provides otherwise, Delivery terms are F.O.B. Seller's facility.
4. Ownership of Materials. All devices, designs (including drawings, plans and specifications), estimates, prices, notes, electronic data and other documents or information prepared or disclosed by Seller, and all related intellectual property rights, shall remain Seller's property. Seller grants Buyer a non-exclusive, non-transferable license to use any such material solely for Buyer's use of the Equipment. Buyer shall not disclose any such material to third parties without Seller's prior written consent.
5. Changes. Seller shall not implement any changes in the scope of work described in Seller's Documentation unless Buyer and Seller agree in writing to the details of the change and any resulting price, schedule or other contractual modifications. This includes any changes necessitated by a change in applicable law occurring after the effective date of any contract including these terms.
6. Warranty. Subject to the following sentence, Seller warrants to Buyer that the Equipment shall materially conform to the description in Seller's Documentation and shall be free from defects in material and workmanship. The foregoing warranty shall not apply to any Equipment that is specified or otherwise demanded by Buyer and is not manufactured or selected by Seller, as to which (i) Seller hereby assigns to Buyer, to the extent assignable, any warranties made to Seller and (ii) Seller shall have no other liability to Buyer under warranty, tort or any other legal theory. If Buyer gives Seller prompt written notice of breach of this warranty within 18 months from delivery or 1 year from acceptance, whichever occurs first (the "Warranty Period"), Seller shall, at its sole option and as Buyer's sole remedy, repair or replace the subject parts or refund the purchase price therefore. If Seller determines that any claimed breach is not, in fact, covered by this warranty, Buyer shall pay Seller its then customary charges for any repair or replacement made by Seller. Seller's warranty is conditioned on Buyer's (a) operating and maintaining the Equipment in accordance with Seller's instructions, (b) not making any unauthorized repairs or alterations, and (c) not being in default of any payment obligation to Seller. Seller's warranty does not cover damage caused by chemical action or abrasive material, misuse or improper installation (unless installed by Seller). THE WARRANTIES SET FORTH IN THIS SECTION ARE SELLER'S SOLE AND EXCLUSIVE WARRANTIES AND ARE SUBJECT TO SECTION 10 BELOW. SELLER MAKES NO OTHER WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE.
7. Indemnity. Seller shall indemnify, defend and hold Buyer harmless from any claim, cause of action or liability incurred by Buyer as a result of third party claims for personal injury, death or damage to tangible property, to the extent caused by Seller's negligence. Seller shall have the sole authority to direct the defense of and settle any indemnified claim. Seller's indemnification is conditioned on Buyer (a) promptly, within the Warranty Period, notifying Seller of any claim, and (b) providing reasonable cooperation in the defense of any claim.
8. Force Majeure. Neither Seller nor Buyer shall have any liability for any breach (except for breach of payment obligations) caused by extreme weather or other act of God, strike or other labor shortage or disturbance, fire, accident, war or civil disturbance, delay of carriers, failure of normal sources of supply, act of government or any other cause beyond such party's reasonable control.
9. Cancellation. If Buyer cancels or suspends its order for any reason other than Seller's breach, Buyer shall promptly pay Seller for work performed prior to cancellation or suspension and any other direct costs incurred by Seller as a result of such cancellation or suspension.
10. LIMITATION OF LIABILITY. NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY, SELLER SHALL NOT BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE OR OTHER INDIRECT DAMAGES, AND SELLER'S TOTAL LIABILITY ARISING AT ANY TIME FROM THE SALE OR USE OF THE EQUIPMENT SHALL NOT EXCEED THE PURCHASE PRICE

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PAID FOR THE EQUIPMENT. THESE LIMITATIONS APPLY WHETHER THE LIABILITY IS BASED ON CONTRACT, TORT, STRICT LIABILITY OR ANY OTHER THEORY.

11. Miscellaneous. If these terms are issued in connection with a government contract, they shall be deemed to include those federal acquisition regulations that are required by law to be included. These terms, together with any quotation, purchase order or acknowledgement issued or signed by the Seller, comprise the complete and exclusive statement of the agreement between the parties (the "Agreement") and supersede any terms contained in Buyer's documents, unless separately signed by Seller. No part of the Agreement may be changed or cancelled except by a written document signed by Seller and Buyer. No course of dealing or performance, usage of trade or failure to enforce any term shall be used to modify the Agreement. If any of these terms is unenforceable, such term shall be limited only to the extent necessary to make it enforceable, and all other terms shall remain in full force and effect. Buyer may not assign or permit any other transfer of the Agreement without Seller's prior written consent. The Agreement shall be governed by the laws of the State of Delaware without regard to its conflict of laws provisions.

12. Steel Price Escalation. Recent market conditions have resulted in exceptionally volatile prices for both stainless and carbon steels. Supply conditions are such that producers have instituted surcharges, which they apply at the time of actual shipment of the steel. This means that the cost for steel used for developing the prices in this quotation are not firm. As a result of this policy, it has become necessary for Siemens to pass along any escalation in the cost of carbon and stainless steels. The price escalation will be calculated by indexing the cost of the steel based on the London Metals Exchange from the date that this proposal is issued to the date that the steel is actually received



07/27/2011 10:45