



October 4, 2019

Water Production Division
City of Aurora, IL
44 E Downer Place
Aurora, IL 60507

Attention: Bob Leible
Subject: Proposal for Installation of one liner at Aurora Water Plant
Quote #15388

Dear Mr. Leible,

Within this document you will find a brief description of the installation for the liner in bulk tank 3 at Aurora water treatment facility in Aurora Illinois as well as technical, operational, and pricing information for your review and comment.

Thank you for considering the H3 Services LLC Team. We look forward to becoming your partner on this project.

Respectfully,

Brady Huff
Owner



Picture is representative of what a liner will look like when installed, actual material and appearance will differ slightly from one project to another. Material shown: Koroseal®

PROJECT SCOPE

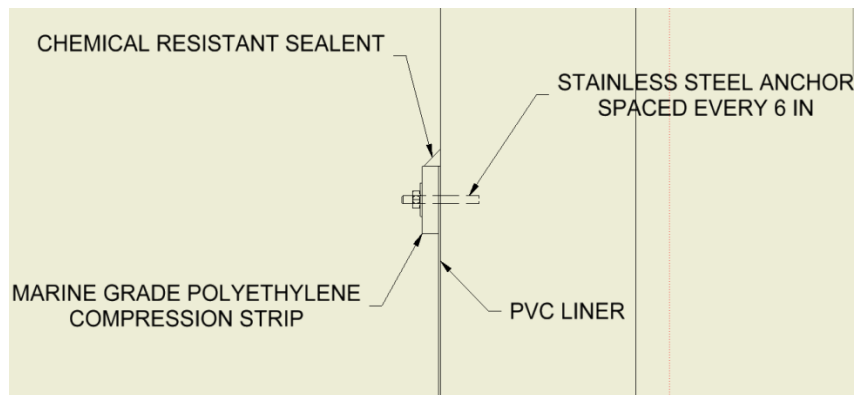
Install a new flexible lining membrane in one concrete pit with dimensions to be approx. 215in x 104in x 132in deep. All work shall be done in accordance with the project drawings, these specifications and lining fabricator's approved shop drawings. Flexible liners will be fabricated to fully cover the tank area up to the dimensions provided as required in the project, including field installation of the liners. All lining material, padding, installation equipment and hasteloy hardware are part of this quotation. H3 Services shall adhere to the specifications provided by Witt Lining Systems; a copy of those specifications is available upon request. Also included is a pre-fabrication measurement trip to verify all dimensions necessary for fabrication. As the year moves to cooler weather the liner material requires a minimum of 70° F working temperatures for installation, H 3 Services will require the customer to provide a 220 v with an L-6 30 plug suitable for the continuous operation of an electric heater. Freight has not been included in the cost of the project to move the materials to the customer's facility. H 3 services will comply with the certified payroll requirements of the project. Customer to modify piping similar to tank 4, for the installation of lining material through the piping with an external flange.

LINING MATERIAL

Per the request Witt material NSF-61 40 mil PVC has been included for each liner fabrication is to be done by Witt Lining Systems, liner will be fabricated in two pieces to allow for ease of installation, other boots are included and will be field fabricated by H3 Services. Any other necessary seam will be field welded by H3 Services personnel.

TERMINATION

Lining will be terminated as shown, using some customer supplied Hasteloy hardware and HDPE plastic compression strip to bolt liner to side wall of the tank, holes will be drilled in the tank every six inches for fasteners at mounting height per minimum manufacture recommendation. Sealant to be used will be determined based upon products used in the containment area; 3M Marine Grade Silicone sealant. Other hardware options are available dependent upon your particular needs.



INSTALLATION

Price includes all travel, meals and lodging expenses for three H3 Services personal on site. All equipment and material for installation is included. Installation time will vary per containment but expected time overall is 3-5 days per liner. Work is to be completed in one trip with no delays. Our personnel work 10hrs per day as a standard. If more is required to meet customers scheduling premium hours can be quoted at an additional cost. H3 services will require onsite parking as well a work area adjacent to the tanks. H3 reserves the right to bill the customer for any damages caused by other trades that affect the longevity and containment properties of the supplied liner. Inspection is part of every installation; material will be tested daily in a nondestructive manner to ensure that field seams meet minimum material strengths. IR inspections of all seams will be performed to ensure weld quality as well. If any inspection or documentation is required beyond what is described above, will require approval from H3 Services, inspections will only be performed if field fabrication will be done. Below is a list of provisions to be provided by the customer if any of the marked utilities are unavailable, they can be provided by H3 services at an additional cost.

INSPECTION

Additional annual inspection can be quoted in this project per the customer request. Inspection process is done using four methods, the first will be visual, second mechanical; third will be spark test, and lastly IR Scan (Infrared). The visual process, we will look over your liner to be sure no major damage or concerns that are in need of repair. Second the mechanical will include probing and peel testing all field seams for damage or loss of integrity. Third a high voltage spark test will be done on the field seams of the liner to check for pin holes and other very fine damage or leaks. Lastly the infrared scanner will be used to check weld integrity, weld width, factory seam density, and to ensure no liquid is behind the lining

containment. Following the inspection a report will be generated detailing all problems and issues found. If no issues are found report will detail only the approximate additional life expectancy.

DELIVERY

4-8 weeks from date of receipt of formal purchase order and deposit required for scheduling. Total installation time estimated to be 3-5 days, net time to operation approx. 7 weeks. EX Works: **Decatur, IN**. The time provided for shipment of property by H3 Services LLC to Buyer in any contract or purchase order is approximate only, and is based upon prompt receipt of pertinent data.

PACKAGE PRICING

Liner & Installation Price \$24,950.00

Annual Inspection Service Estimate\$3225.00

To be purchased separately

PAYMENT TERMS

\$10,675.00 As Pre payment for the liner materials

\$14,275.00 net / 30 days after Final Installation from H3 Services LLC or per IL prompt payment Act.

All quotes are in US Dollars

EQUIPMENT SERVICE

H3 Services LLC prides itself in having one of the finest service and parts supply networks in the industry. Our personnel are experienced and prepared to respond within 24 hours to handle emergency breakdown situations. Most of the parts used in our equipment can be readily available to your company. Commercial items are clearly identified in the parts and operation manuals so that your maintenance personnel can easily purchase them. H3 Services LLC will supply a recommended spare parts list. This list will have a suggested list of high use and custom built items that should be purchased for emergency breakdown situations. We encourage the acquisition of these spare parts for your equipment. Our service and parts department will be available to your company for ordering any and all replacement parts or service that may be required for this system.

EQUIPMENT WARRANTY

This equipment will include H3 Services LLC standard warranty of one year for continuous use in 12.5% sodium hypochlorite. This warranty is for service as well as material including marine grade Silicone sealant and is an extension of the warranty described in the warranty section of the terms and conditions at the end of this document. All Warranty claims must be accompanied with a purchase order due to, all claims will be subject to evaluation of mechanical damage resulting from misuse or abuse from customer personnel, or other outside forces.

INSURANCE AND LIABILITY

As a standard H3 Services LLC carry's a four million dollar aggregate policy for liability insurance and one million dollar policy on any vehicle on a work site. Any additional require approval from H 3 Services LLC and may render this quotation void.

GENERAL ON SITE RATES (per person)

The following service rates apply for H3 Service personnel:

Weekday Rate		\$110 / hr.
Saturday and Overtime (weekday over 10 hrs)	*	1.5 X Weekday Rate
Sundays and Holidays		2.0 X Weekday Rate

Travel will be billed at a reduced rate: **

Weekday Rate		\$ 60 / hr.
Saturday and Overtime (weekday over 10 hrs)	*	1.5 X Weekday Rate
Sundays and Holidays		2.0 X Weekday Rate

Shop Time will be billed at a reduced rate:

Weekday Rate		\$ 75 / hr.
Saturday and Overtime (weekday over 10 hrs)	*	1.5 X Weekday Rate
Sundays and Holidays		2.0 X Weekday Rate

MINIMUM CHARGES:

Weekdays.....	\$650.00
Saturdays.....	\$950.00
Sundays and Holidays.....	\$1300.00

Technicians are to work a maximum of 10 hrs in any one day. Hours in excess of 10 hours will be billed at 1.5 times the appropriate rate. All rates apply to the continental US only, there is a 40% premium applied for operating outside of the USA.

Above rates and minimum charges do not include travel, meals, lodging expenses, etc.

These expenses will be billed to the customer at cost.

*Overtime rates are calculated by including any hours the technician has worked that day prior to departure on the service call.

**Travel time is figured from the time we leave from either our plant or the technician's home until he arrives at either the customer's plant or his hotel. The same applies for the return trip home.

All requests for service or warranty must be accompanied by a purchase order prior to the technician's departure.

This quotation will remain valid for a period of 30 days H3 Services LLC reserves the right to requote if changes in the scope of supply or payment terms are identified. Any changes to this agreement will render this quotation void. We reserve the right to retract a bid at any time.

PROVISIONS FOR WORK PERFORMED ON SITE

- [X] This quotation is based on performance of the work and operating our equipment by our own specially trained and skilled personnel. Should any specific union trades or crafts be required, written notification to H3 Services LLC could arrange compliance and a revised quotation will result. We cannot be responsible for delays caused by local union requirements.
- [] If delays beyond our control should occur, our customer would be obligated to reimburse us for the actual cost of such delays.
- [X] The tanks/containments to be lined must be empty, clean, and dry prior to our personnel entering such tank. Such preparations of the containment(s) is the responsibility of the customer.
- [] Customer to supply 100 psi compressed air at 100 cfm for our hand tools and/or other equipment adjacent to the equipment being worked on by our personnel.
- [X] Customer to furnish electrical power for small tools and lights at ground level and adjacent to the equipment being worked on by our personnel.
- [X] Customer to furnish 220 volt single phase electrical power for our ventilation or other equipment at ground level and adjacent to the equipment being worked on by our personnel.
- [] Customer to furnish 480 volt three phase electrical power for our welding or other equipment at ground level and adjacent to the equipment being worked on by our personnel.
- [] A sheltered work or storage area heated to a minimum of 70° F is to be provided on site by the customer.
- [] It may be necessary for the customer to provide transportation for our equipment and materials from the job site receiving docks to the work site area.
- [X] Customer to provide access to the worksite for our workmen, materials, and equipment.
- [X] Disposal of all waste media, lining materials, and refuse will be provided by us by placing such in customer's containers adjacent to the equipment being worked on by our personnel. Disposal of such containers will be by the customer. No Hazardous Wastes will be generated on this project.
- [X] Our workmen will adhere to the work site safety standards including hard hats, safety glasses, and smoking only in designated areas, and using sanitary facilities furnished by customer. Safety of the immediate work area is the responsibility of H3S.
- [X] Customer to provide parking for a truck and job trailer adjacent to the job site to allow for safe and secure access to tool and job related materials.

If any of the above stipulations are unavailable or cause difficulties or inconvenience to the customer, we can and will provide for such services upon request at additional cost to the customer.

TERMS AND CONDITIONS OF SALE

1. DEFINITIONS: H3 Services LLC will be referred to as "Seller" and the person or company purchasing will be referred to as "Buyer".

2. PAYMENT: Final payment to Seller shall be made by Buyer pursuant to the payment schedule contained in the attached quotation. If the Seller shall at any time doubt the Buyer's financial responsibility, Seller may decline to make shipments hereunder except upon receipt of cash payment in advance or security satisfactory to Seller in advance. If the Buyer fails in any way to fulfill the terms on the quotation or its stipulations or terms as stated herein, Seller may defer further shipments until such default is corrected and may at the option of Seller treat such default as refusal by Buyer to accept further shipments hereunder.

3. TAXES: The prices stated herein do not include any sales, use, gross income, occupational, VAT, or similar taxes unless so stated specifically; such taxes will be added to invoice prices in those instances in which the Seller is required to collect them from the Buyer, provided however, that if Seller does not collect any such taxes and is later asked by and/or required to pay such to any taxing authority, Buyer will make such payment to Seller or, if requested by Seller, directly to such taxing authority. At Seller's option, prices may be increased to reflect any change in costs of Seller resulting from federal, state, or local legislation. At Seller's option, prices may be increased to reflect any increase in the rate charge or classification of any carrier. Freight deductions, if any, will be paid upon surrender of the paid freight bill.

5. WARRANTY: THE SELLER WARRANTS ITS PRODUCTS TO BE FREE FROM DEFECTS IN MATERIAL OR WORKMANSHIP, UNDER NORMAL AND PROPER USE IN ACCORDANCE WITH INSTRUCTIONS OF THE SELLER FOR A PERIOD OF ONE YEAR FROM THE DATE OF COMPLETION TO THE BUYER in continuous duty use in 12.5% NaOCL, BUT THE LIABILITY ON SUCH WARRANTY SHALL BE LIMITED TO THE REPAIR OR REPLACEMENT BY THE SELLER (EXW: Decatur, IN) WITHIN SAID TIME PERIOD AND WHICH ARE FOUND BY THE SELLER TO BE DEFECTIVE IN MATERIAL OR WORKMANSHIP. EXCEPT AS STATED ABOVE, WE MAKE NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, NOR DO WE MAKE ANY WARRANTY, EXPRESSED OR IMPLIED, OF ANY NATURE WHATSOEVER WITH RESPECT TO OUR PRODUCTS OR SERVICES OR THE USE THEREOF. THE FOREGOING IS THE FULL EXTENT OF THE RESPONSIBILITY OF THE SELLER, AND BY WAY OF ILLUSTRATION AND NOT LIMITATION, IN NO EVENT SHALL THE SELLER BE LIABLE FOR DELAY CAUSED BY DEFECTS IN PRODUCTS OR SERVICES, FOR CONSEQUENTIAL DAMAGES, OR FOR ANY CHARGES OR EXPENSES INCURRED WITHOUT ITS WRITTEN CONSENT. THE BENEFITS OF THIS WARRANTY WILL NOT BE APPLIED TO ANY PRODUCTS OR ITEMS THAT HAVE BEEN REPAIRED OR ALTERED BY ANYONE OTHER THAN THE SELLER WHICH, IN OUR JUDGEMENT, AFFECTS THEIR CONDITION OR OPERATION. If buyer maintains past due balance any and all warranty is void or forfeit.

7. SUSPENSION OF ORDER: The obligation of Seller to sell and deliver or perform services and the obligation of Buyer to furnish specifications for purchase and take the products for services stated on the attached quotation shall be suspended by fire, floods, accidents, acts of God, war or acts of war, Terrorist Acts, strikes, lock outs, slow downs, picketing or other labor controversies, sabotage, riots or other civil commotions, default or failure of carriers, shortage of labor, inability to obtain materials from regular sources, action or request of any government or agency, or any other happening or contingency beyond the control, and without the fault of the parties hereto, whether or not of a kind hereinbefore mentioned, to the extent that such occurrence or contingency limits or prevents the manufacture, sale, or delivery of any products, or the performance of any services by the Seller or the purchase or receiving thereof by the Buyer, except however, that notwithstanding the foregoing, the Buyer shall not be excused from accepting paying for products that are completed or in the process of manufacture at the time. The party affected shall promptly notify the other party of the occurrence of any such contingency and the anticipated effect on the manufacture and delivery or acceptance of the products. Upon the elimination or cessation of any such event or contingency, the obligation of Seller to sell and deliver and the obligation of the Buyer to buy and take the products or services shall be reinstated. Products or services omitted during the period of any such suspension or reduction shall be eliminated from this agreement without liability to either party.

8. PATENTS AND TRADEMARKS: Buyer agrees to determine whether any words, designs, or devices which Buyer instructs Seller to incorporate in, imprint, or place on the products sold hereunder infringe any trademark, copyright, or patent, notwithstanding the fact that Seller may have consulted as to, or perform the art or design work, or other special services in connection with the order.

9. SPECIFICATIONS: Any specifications, drawings, notes, inspections, engineering notices or technical data coming into the hands or control of the Buyer shall be deemed to be incorporated herein by reference the same as if fully set forth. The Seller shall at all times retain title to all such documents and Buyer shall not disclose such to any party other than Seller or a party duly authorized by Seller. Upon Seller's request or upon completion and delivery of the products or services, whichever occurs first, Buyer shall promptly return all such documents to Seller.

10. EXPORT: If the products are to be exported, this order is subject to Seller's ability to obtain export licenses and other necessary papers within a reasonable period. Buyer will furnish all consular and customs declarations and will accept all responsibility for penalties resulting from error or omissions thereon.

11. ASSIGNMENT: The Buyer may not assign any of the Buyer's rights hereunder without the prior written consent of the Seller. Said consent will not be unreasonably withheld.

12. ATTORNEYS FEES: If either party becomes involved in litigation arising out of this contract or the performance thereof, the court in such litigation, or in a separate suit, shall award reasonable costs and expenses, including attorneys fees to the prevailing party. In awarding attorney fees, the court will not be bound by any court fee schedule, but shall, if it is in the interest of justice to do so, award the full amount of costs, expenses and attorney fees paid or incurred in good faith.

13. CONSTITUTION: This document constitutes the complete agreement between the Buyer and Seller with respect to the products mentioned and supersedes all prior or contemporaneous written or oral agreements between the parties. Any amendment of this contract must be in writing signed by both parties hereto and all terms and conditions shall remain in effect. All notices shall be in writing to the addresses stated herein.

14. APPLICATION: In the event that any word, phrase, clause, sentence, or other provision hereof shall violate any applicable statute, ordinance, or rule of law in any jurisdiction in which it is used, such provision shall be ineffective to the extent of such violation without diminishing or invalidating any other provision thereof.