MEMORANDUM
CITY OF LANGLEY

112 Second St./PO Box 366 Langley, Washington 98260 (360) 221-4246

To: Mayor Larry Kwarsick and Members of the City Council
From: Challis Stringer, Director of Public Works
Date: February 2, 2012
Re: Purchase Agreements for Screening Equipment at the Septage Receiving Station and the Headworks for the Wastewater Treatment Plant

This staff report introduces for city council review and action two purchase agreements, which are attached, between the City of Langley, as the buyer; and Aqualitec Corporation, as the seller for the purchase of three pieces of equipment to meet the requirements set forth in the Washington Administrative Code (WAC) 173-308-205. The equipment to be purchased is a Spiraltec in tank unit for the septage receiving station located at the wastewater treatment plan; a multiple rake screen raketec and a washer/compactor compactec for the headworks at the wastewater treatment plant. City council approval of the purchase agreements would authorize the public works director to proceed with the purchase and installation of the equipment.

Background

On January 19, 2007 the Department of Ecology submitted proposed rule changes to WAC 173-308 which included the following new section:

WAC 173-308-205
Significantly remove manufactured inerts.

(1) Except for sewage sludge approved for long-term disposal in accordance with WAC 173-308-300(9), all biosolids (including septage) or sewage sludge must be treated by a process such as physical screening or another method to significantly remove manufactured inerts prior to final disposition. Meeting this requirement may occur at any point in the wastewater treatment or biosolids manufacturing process.

(2) Options for meeting the requirement. Meeting the requirement in subsection (1) of this section can be accomplished by either of the following:

(a) Screening through a bar screen with a maximum aperture of 3/8 inch (0.95 cm).
(b) Obtaining approval from the department for an alternative method that achieves a removal rate similar to or greater than that achieved by the screening standard in (a) of this subsection.

(3) **Timing for meeting the requirement.** The requirement in subsection (1) of this section must be met by July 1, 2012, or at the time of final disposition if the material will not be managed prior to July 1, 2012.

(4) Regardless of the date that the requirement in subsection (1) of this section is met, biosolids (including septage) that are land applied or sold/given away in a bag or other container must contain less than one percent by volume recognizable manufactured inerts.

The proposed rule changes became effective on June 24, 2007. The city adopted the 2006 Comprehensive Sewer Plan on September 6, 2006, along with the 6 year Capital Program for the sewer system. The city did not plan for the screening that the new ruling requires when it established the 6 year capital program for the sewer plan; this is now an additional cost to the sewer system. The city has built up the funds in the sewer capital to now finance this equipment.

Staff researched different type of screening for installation on both our septage receiving facility and at the headworks (before influent enters the sequencing batch reactors (SBR)) at the wastewater treatment.

In March of 2011 staff began looking at different septage receiving screening devices. We requested information from five different companies: JWC Environmental, Parkson-Hycor Helisieve Plus, Franklin Miller, Goble Sampson/Huber Technology, and Aqualitec. Parkson-Hycor did not respond to the information request, as there are no service or representatives on the west coast. The equipment varies from each company as does the cost. Below is a brief description and cost of the septage receiving station equipment:

- **JWC Environmental – Honey Monster:** This system is a completely enclosed unit that uses a combination of grinding, solids removal, washing and dewatering. $110,062

- **Franklin Miller – Spiralift:** requires a “taskmaster 8500 grinder” with a manual dump valve before screening technology. It does wash and compact material handling 700 gpm. $130,000 - $165,000

- **Goble Sampson/Huber Technology – Rotomat:** Fine screen/washer/compactor can handle 440 gpm septage. $179,000

- **Aqualitec – Spiraltec:** An in tank unit includes washer/compactor. This is a simple unit that has one drive, and a shiftless auger to clear the screen. The washer/compactor are in line and easily accessible for maintenance. $68,325
Staff recommends purchasing the Spiraltec from Aqualitec because of the cost savings as well as the fact that we will be accepting less septage as more homes are connected to the sewer system and will not need such an advanced system such as the JWC Environmental. While JWC Environmental was our favorite, it is not financially feasible for our small operation.

In July of 2011 staff started researching different type of systems for screening at headworks. We contacted three companies; Wastetech, Goble Sampson/Huber Technology, and Aqualitec. The equipment from both Wastetech and Goble Sampson/Huber Technology would require significant modification to our headworks space and we feel would be a safety concern for operators when regular maintenance was needed on the equipment after installation. The prices below do not include the modification to the headworks space, only equipment cost.

Wastetech – Perforated screen with screenings washer press: $125,000

Goble Sampson/Huber Technology – Rotomat Fine Screen $80,000

Aqualitec – Multiple Rake Screen Raketec w/ Washer/Compactor $99,758

Staff recommends the purchase of the multiple rake screen raketec with the washer/compactor from Aqualitec. The unit is build to suit our space and the washer compactor will be mounted on the chamber allowing access to the top of the SBR’s on all sides. After installation the operators can safely maintain the unit.

**Recommended Action**

Staff recommends the council to make a motion to approve the purchase agreement with Aqualitec for the purchase of the Spiraltec in Tank Unit for the Septage Receiving Station; and the Bar Screen and Washer compactor for the Headworks at the Wastewater Treatment Plan in the amount of $68,325 and $99,758 respectively for a total of $168,083.
Los Angeles, January 24, 2012

Hello,

Please find below the proposal for the purchase of the **Spiraltec in Tank Unit** for Septage receiving station.

To start the process, we will need to receive the confirmation order with a check of $20,497 (30% deposit) and the drawings of the site (including the exact dimensions). Aqualitec Corp. will then provide you with the drawings within 15 business day maximum. Once you validate the drawings, 15 weeks will be necessary to deliver the product.

If you have any questions, feel free to contact me at 310-703-2174 or to send me an email at omonfort@aqualitec.com.

We look forward to doing business with you,

Regards,

[Signature]

Olivier Monfort
Sales Director
Product: Spiraltic in Tank Unit (Septage Receiving Station)
Client: City of Langley
Interlocutors: Mr. Ryan Goodman/Ms. Challis Stringer/Ms. Randi Perry
Customer Number: WA004067
Quote Number: WA100406
Follow-up by: Olivier Monfort 310-703-2174

Data Project:
Delivery of a Spiraltic in Tank Unit
Flow rate: 3,000 gallons per truck
Peak flow rate: 10,000 gallons per truck
Space Opening: 3/8" (10mm)

<table>
<thead>
<tr>
<th>Product</th>
<th>Qty</th>
<th>Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spiraltic in Tank Unit 304 Stainless Steel</td>
<td>1</td>
<td>$68,325</td>
<td>$68,325</td>
</tr>
</tbody>
</table>

Total

NOTES:
- **Purchase price and Payments** for the Product and the installation are as follows:
  - Deposit (30% with the confirmation order) $20,497
  - Second Payment (70% at delivery and installation) (20% at delivery) $13,665
  - Balance (50% after 1 month of use) $34,163
  - Total Price F.O.B. Destination:

- **Validity**: 07/01/2012 (except if + 15% on the stainless steel)
- **Shipping Schedule**: The equipment will be shipped within 15 weeks after receipt of approved drawings.
- **Warranty**: 1-year 2 years

Aqualtec Corp.
Date: 01/24/12

By: [Signature]
Name: Marc Monfort
Title: President

City of Langley
Date:

By:
Name:
Title:
Purchase Agreement

This Purchase Agreement (the “Agreement”) made this day of ___ , 2012, by and between, City of Langley, located at 999 Coles Road, Langley WA 98260 (the Buyer”) and Aqualitec Corp. located at 4831 W Jefferson Blvd., Los Angeles, CA 90016 (the “Seller”).

RECITAL

WHEREAS, the Seller is an independent business selling wastewater treatment equipment and related products, and the Buyer desires to purchase a Spiraltec In Tank Unit (the “Products”) from the Seller; and

WHEREAS, subject to the terms and conditions stated herein, the Seller is willing to sell the Product as identified in this Agreement and the Buyer desires to buy the Product from the Seller.

NOW THEREFORE, in consideration of the mutual agreements contained herein, the mutuality and sufficiency of which are acknowledged, the Buyer and the Seller agree as follows:

ARTICLE I

The Specifications

Section 1.1. The Seller agrees to deliver the Product as identified in this Section 1.1 and under the following conditions:

a. Client Proposal No. WA100406 signed by both the Seller and the Buyer, a copy of which is attached hereto which constitutes an integral part of this Agreement. This proposal is based on all information located in Attachment A.

b. The Approval Drawings (including blueprints, schedules and specifications), which will be dated and signed by the Buyer which constitutes an integral part of this Agreement.

Collectively these documents provide the details and conditions (the “Specifications”) for the delivery of the Product and shall be final when signed by both parties (the “Confirmation Date”).

ARTICLE II

Purchase Price and Payment

Section 2.1. Payment terms are as follows:

a. The purchase price is Delivery Duty Paid (DDP) F.O.B. Destination, no additional fees will be charged to the Buyer.

b. Deposit 30% with the purchase order.

c. Second Payment 20% at delivery.

d. Balance 50% after 1 month of use.

Section 2.2. Any payment made by the Buyer to the Seller is non-refundable.
Purchase Agreement

ARTICLE III

Schedule and Delivery Date

Section 3.1. The schedule of the different phases of the sale of the Product will comply with the following timeframe:

a. The Seller will submit the final drawings for the Buyer's approval not later than 15 business days after the Buyer will have provided the Seller with the final technical requirements and other specifications for the installation site of the Product including, but not limited to, drawings, footprint and all other information needed by the Seller.

b. The time to manufacture the Product will range from 2 months to 3 months from the date of the Approval Drawings under Sub-Section 1.1. a, are signed.

c. Shipping time of the Product from France (Port of Le Havre) to Long Beach or Oakland, California, will range from 5 weeks to 7 weeks. An additional 1 to 3 weeks should be anticipated for the U.S. Customs to register and release the Product.

d. Shipping time from the port of destination to the Seller's site will be around 3 business days.

The schedule under Section 3.1 is indicative only and is based on the Seller's good faith diligence.

Section 3.2. To secure a reasonable date to deliver the Product (the "Delivery Date") and to promote an orderly and predictable delivery process, both the Seller and the Buyer will cooperate in good faith.

Section 3.3. The Delivery Date of the Product will be determined by the Seller and approved by the Buyer as part of the Specifications in Sub-Section 1.1. b.

ARTICLE IV

Modifications in the Specifications

Section 4.1. Any change to the Specifications after the Confirmation Date shall require a separate written order and may result in the postponement of the Delivery Date and in a higher total purchase price than originally agreed. Furthermore, these changes are subject to the following limitations:

a. No changes to the Specifications, structural design, blueprints, or floor plans that affect the installation of the Product are allowed.

b. Any additional materials or services not specifically mentioned in the initial Specifications will require a new and separate written new order before becoming effective and subject to the terms and conditions of this Agreement. Shipment of this new order with the rest of the Product is subject to the Seller's approval of the Seller with a minimum of four-week written notice. The charges for any of any additional materials or services will be based on the Seller's pricing schedules in effect at that time and shall be paid with the new order. If this new order is shipped separately (at the sole discretion of the Seller), the Seller's normal delivery time, prices, and freight charges will apply accordingly.

Section 4.2. Once the Confirmation Date has been determined as per Section 1.1, the Buyer is expected to take delivery on the date specified in the Confirmation Date. If unforeseen conditions cause the Buyer to be unable to take delivery as specified in Section 3.2, the Seller will reschedule the delivery subject to the Seller's schedule and delivery capacity.
Purchase Agreement

ARTICLE V

Shipment, Delivery, Off-Loading, and Storage

Section 5.1. Once the Product is delivered at the Buyer's site, and prior to off-loading it, the Product becomes the Buyer's property and the Buyer assumes all responsibility of losses, including theft, weather, or improper storage. Someone from the Seller will supervise the delivery in order to check with the Buyer the conformity of the Product.

Section 5.2. At Delivery, the Buyer is responsible for providing minimum site standards as defined below and for prompt payment as specified in Article II. Any delay in unloading resulting from failure to maintain the minimum site standards, or from failure to pay as agreed, will result in a late fee delivery of $250.00 per hour, after allowing for three hours for off-loading. Any additional cost, not already specified in the Client Proposal No. WA100406 under Sub-Section 1.1. a of this Agreement, resulting from the nonconformity of the site as defined in Sub-Sections 5.2. a and 5.2. b, will be the Buyer's responsibility. The minimum site standards are as follows:

a. An unobstructed gravel-based road must be provided to the foundation and storage areas. This road must have clearance, turn radius, traction, and incline characteristics that allow for the maneuvering, unloading, and the return to regular roads, of a large tractor or trailer.

b. The access and storage area must be of sufficient quality for delivery in wet or winter weather conditions.

ARTICLE VI

Limitation of Liability

The exclusive remedy to which the Seller may be subjected by reason of any breach of warranty, or in connection with any Product supplied by the Seller, or by reason of any breach of agreement shall be for damages and, except to the extent of insured claims or claims that would be insured if the Seller were in compliance with the insurance requirements under this Agreement, the amount of damage for which the Seller may be liable shall be limited in accordance with the provisions hereof. The Seller's liability for any loss and losses and damages to the Buyer of any other third party resulting from any breach of any warranty by which the Seller may be bound, from any damaged or defective Product supplied by the Seller (regardless of whether any said defect shall be discoverable or latent), failure to deliver, breach of agreement, or any other cause whatsoever, including the Seller's negligence, shall in no event exceed the Total Price under Section 3.1 of this Agreement, with respect to which losses or damages are claimed, or at the election of the Seller, the repair or replacement of the defective or damaged Product. In no event, including a claim for negligence, shall the Seller be liable for incidental or consequential damages as defined in Section 2-715 of the Uniform Commercial Code. Without limitation to the foregoing, in no event shall the Seller be liable for the loss of use of the Product, process, plan, equipment or facilities of the Buyer or the end-user whether partially- or wholly-due to defects in material and/or workmanship and/or design of the Seller's Product and in no event shall the Seller be liable for expenses necessary to remove or reinstall the Product supplied by the Seller, or for any damages to other property or equipment resulting from any such removal or reinstallation. Damages resulting from improper storage, improper location handling, fire or any act of God will not be considered by the Seller as its liability except for insured claims. Until the Product is delivered to the Buyer, the Seller shall maintain in full force and effect comprehensive general liability insurance written on a comprehensive basis, including products liability and completed operations. The insurance shall be in the minimum amount of $5,000,000 general aggregate limit and $5,000,000 products liability/completed operations aggregate limit. All policies shall name the Buyer as additional insured parties. The Seller's insurance policies shall be primary to any other coverage or insurance available to the Buyer. Prior to any payment by the Buyer under this agreement, the Seller shall provide certificates of insurance to the Buyer reflecting such coverage.
Purchase Agreement

ARTICLE VII
General Provisions

Section 7.1. All notices and other communications given hereunder shall be in writing and shall be deemed to have been duly given and received when personally delivered; or when mailed by certified mail, postage prepaid and return receipt requested; or by reputable overnight delivery service:

a. If to the Seller,
Aqualitec Corp.
4831 W. Jefferson Blvd.
Los Angeles, California 90016

b. If to the Buyer,
City of Langley
999 Coles Road
Langley, WA 98260

Section 7.2. This Agreement shall be binding on and shall inure to the benefit of each of the parties hereto and their respective successors or assigns.

Section 7.3. This Agreement, when combined with the Specifications defined in Section 1.1, constitutes the entire agreement between the parties hereto. The Specifications are subject to all terms and limitations of this Agreement.

Section 7.4. This Agreement shall not be amended or modified except in writing executed by each of the parties hereto.

Section 7.5. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision.

Section 7.6. The section headings herein are for convenience only and shall not affect the interpretation of this document. Gender and pronouns, and singular and plural references used herein shall be interchangeable as appropriate.

Section 7.7. This Agreement shall be construed under and governed by the law of the State of California. The parties agree that any dispute shall be litigated in any State Court for Los Angeles, CA. The parties consent to the jurisdiction of any State Court for Los Angeles, CA.

Section 7.8. In the event of any dispute between the parties, the prevailing party shall be entitled to receive all reasonable fees and expenses connected with such dispute, including reasonable attorneys' fees.

"SELLER,"
Aqualitec Corp.
Date: 01/24/12
By:

"BUYER"
City of Langley
Date:
By:

Name: Marc Monfort
Title: President

Name:
Title:
Los Angeles, January 24, 2012

Hello,

Please find below the proposal for the purchase of the Multiple Rake Screen Raketec and the Washer/compactor Compactec for the Headworks.

To start the process, we will need to receive the confirmation order with a check of $29,927 (30% deposit) and the drawings of the site (including the exact dimensions). Aqualitec Corp. will then provide you with the drawings within 15 business day maximum. Once you validate the drawings, 15 weeks will be necessary to deliver the product.

If you have any questions, feel free to contact me at 310-703-2174 or to send me an email at omonfort@aqualitec.com.

We look forward to doing business with you.

Regards,

[signature]

Olivier Monfort
Sales Director
Product: Bar Screen and Washer Compactor (Headworks)  
Client: City of Langley  
Interlocutors: Mr. Ryan Goodman/Ms. Chalis Stringer/Ms. Randi Perry  
Customer Number: WA004066  
Quote Number: WA100405  
Follow-up by: Olivier Monfort 310-703-2174  

Data Project:  
Delivery of an Mechanical Vertical Bar Screen and a Washer Compactor  
Design flow rate: 1,300 gallons per minutes (1.8MGD)  
Peak flow rate: 4 MGD  
Channel Width: 25"  
Channel Length: 42"  
Channel Depth: 3'  
Length available for Compactec: 5'-10"  
Space Opening: 3/8" (10mm)  

| 1- Multiple Rake Screen Raketec 304 Stainless Steel | 1 | $74,617 | $74,617 |
| 2- Washer/Compactor Compactec with Spray Bars | 1 | $25,141 | $25,141 |
| **Total** | | | |

NOTES:  
- Purchase price and Payments for the Product and the installation are as follows:  
  - Deposit (30% with the confirmation order) $29,927  
  - Second Payment (70% at delivery and installation) (20% at delivery) $19,952  
  - Balance (50% after 1 month of use) $49,879  
  - Total Price F.O.B. Destination:  
- Validity: 07/01/2012 (except if + 15% on the stainless steel)  
- Shipping Schedule: The equipment will be shipped within 15 weeks after receipt of approved drawings.  
- Warranty: 4-year-2 years  

Aqualitec Corp.  
Date: 01/24/12  

City of Langley  
Date:  

By:  
Name: Marc Monfort  
Title: President  

By:  
Name:  
Title:
Purchase Agreement

This Purchase Agreement (the "Agreement") made this day of __________, 2012, by and between, City of Langley, located at 999 Coles Road, Langley WA 98260 (the Buyer") and Aqualtec Corp. located at 4831 W Jefferson Blvd., Los Angeles, CA 90016 (the "Seller").

RECITAL

WHEREAS, the Seller is an independent business selling wastewater treatment equipment and related products, and the Buyer desires to purchase a Multiple Rake Screen Raketec and a Washer/Compactor Compactec (the "Products") from the Seller; and

WHEREAS, subject to the terms and conditions stated herein, the Seller is willing to sell the Product as identified in this Agreement and the Buyer desires to buy the Product from the Seller.

NOW THEREFORE, in consideration of the mutual agreements contained herein, the mutuality and sufficiency of which are acknowledged, the Buyer and the Seller agree as follows:

ARTICLE I

The Specifications

Section 1.1. The Seller agrees to deliver the Product as identified in this Section 1.1 and under the following conditions:

a. Client Proposal No. WA100405 signed by both the Seller and the Buyer, a copy of which is attached hereto which constitutes an integral part of this Agreement. This proposal is based on all information located in Attachment A.

b. The Approval Drawings (including blueprints, schedules and specifications), which will be dated and signed by the Buyer which constitutes an integral part of this Agreement.

Collectively these documents provide the details and conditions (the "Specifications") for the delivery of the Product and shall be final when signed by both parties (the "Confirmation Date").

ARTICLE II

Purchase Price and Payment

Section 2.1. Payment terms are as follows:

a. The purchase price is Delivery Duty Paid (DDP) F.O.B. Destination, no additional fees will be charged to the Buyer.

b. Deposit 30% with the purchase order.

c. Second Payment 20% at delivery.

d. Balance 50% after 1 month of use.

Section 2.2. Any payment made by the Buyer to the Seller is non-refundable.
Purchase Agreement

ARTICLE III

Schedule and Delivery Date

Section 3.1. The schedule of the different phases of the sale of the Product will comply with the following timeframe:

a. The Seller will submit the final drawings for the Buyer's approval not later than 15 business days after the Buyer will have provided the Seller with the final technical requirements and other specifications for the installation site of the Product including, but not limited to, drawings, footprint and all other information needed by the Seller.

b. The time to manufacture the Product will range from 2 months to 3 months from the date of the Approval Drawings under Sub-Section 1.1. a, are signed.

c. Shipping time of the Product from France (Port of Le Havre) to Long Beach or Oakland, California, will range from 5 weeks to 7 weeks. An additional 1 to 3 weeks should be anticipated for the U.S. Customs to register and release the Product.

d. Shipping time from the port of destination to the Seller's site will be around 3 business days.

The schedule under Section 3.1 is indicative only and is based on the Seller's good faith diligence.

Section 3.2. To secure a reasonable date to deliver the Product (the "Delivery Date") and to promote an orderly and predictable delivery process, both the Seller and the Buyer will cooperate in good faith.

Section 3.3. The Delivery Date of the Product will be determined by the Seller and approved by the Buyer as part of the Specifications in Sub-Section 1.1. b.

ARTICLE IV

Modifications in the Specifications

Section 4.1. Any change to the Specifications after the Confirmation Date shall require a separate written order and may result in the postponement of the Delivery Date and in a higher total purchase price than originally agreed. Furthermore, these changes are subject to the following limitations:

a. No changes to the Specifications, structural design, blueprints, or floor plans that affect the installation of the Product are allowed.

b. Any additional materials or services not specifically mentioned in the initial Specifications will require a new and separate written new order before becoming effective and subject to the terms and conditions of this Agreement. Shipment of this new order with the rest of the Product is subject to the Seller's approval of the Seller with a minimum of four-week written notice. The charges for any of any additional materials or services will be based on the Seller's pricing schedules in effect at that time and shall be paid with the new order. If this new order is shipped separately (at the sole discretion of the Seller), the Seller's normal delivery time, prices, and freight charges will apply accordingly.

Section 4.2. Once the Confirmation Date has been determined as per Section 1.1, the Buyer is expected to take delivery on the date specified in the Confirmation Date. If unforeseen conditions cause the Buyer to be unable to take delivery as specified in Section 3.2, the Seller will reschedule the delivery subject to the Seller's schedule and delivery capacity.
Purchase Agreement

ARTICLE V

Shipment, Delivery, Off-Loading, and Storage

Section 5.1. Once the Product is delivered at the Buyer’s site, and prior to off-loading it, the Product becomes the Buyer’s property and the Buyer assumes all responsibility of losses, including theft, weather, or improper storage. Someone from the Seller will supervise the delivery in order to check with the Buyer the conformity of the Product.

Section 5.2. At Delivery, the Buyer is responsible for providing minimum site standards as defined below and for prompt payment as specified in Article II. Any delay in unloading resulting from failure to maintain the minimum site standards, or from failure to pay as agreed, will result in a late fee delivery of $250.00 per hour, after allowing for three hours for off-loading. Any additional cost, not already specified in the Client Proposal No. WA100405 under Sub-Section 1.1. of this Agreement, resulting from the nonconformity of the site as defined in Sub-Sections 5.2. a and 5.2. b, will be the Buyer’s responsibility. The minimum site standards are as follows:

a. An unobstructed gravel-based road must be provided to the foundation and storage areas. This road must have clearance, turn radius, traction, and incline characteristics that allow for the maneuvering, unloading, and the return to regular roads, of a large tractor or trailer.

b. The access and storage area must be of sufficient quality for delivery in wet or winter weather conditions.

ARTICLE VI

Limitation of Liability

The exclusive remedy to which the Seller may be subjected by reason of any breach of warranty, or in connection with any Product supplied by the Seller, or by reason of any breach of agreement shall be for damages and, except to the extent of insured claims or claims that would be insured if the Seller were in compliance with the insurance requirements under this Agreement, the amount of damage for which the Seller may be liable for shall be limited in accordance with the provisions hereof. The Seller’s liability for any loss and damages to the Buyer of any other third party resulting from any breach of any warranty by which the Seller may be bound, from any damaged or defective Product supplied by the Seller (regardless of whether any said defect shall be discoverable or latent), failure to deliver, breach of agreement, or any other cause whatsoever, including the Seller’s negligence, shall in no event exceed the Total Price under Section 3.1 of this Agreement, with respect to which losses or damages are claimed, or at the election of the Seller, the repair or replacement of the defective or damaged Product. In no event, including a claim for negligence, shall the Seller be liable for incidental or consequential damages as defined in Section 2-715 of the Uniform Commercial Code. Without limitation to the foregoing, in no event shall the Seller be liable for the loss of use of the Product, process, plant, equipment or facilities of the Buyer or the end-user whether partially- or wholly due to defects in material and/or workmanship and/or design of the Seller’s Product and in no event shall the Seller be liable for expenses necessary to remove or reinstall the Product supplied by the Seller, or for any damages to other property or equipment resulting from any such removal or reinstallation. Damages resulting from improper storage, improper location handling, fire or any act of God will not be considered by the Seller as its liability except for insured claims. Until the Product is delivered to the Buyer, the Seller shall maintain in full force and effect comprehensive general liability insurance written on a comprehensive basis, including products liability and completed operations. The insurance shall be the minimum amount of $5,000,000 general aggregate limit and $5,000,000 products liability/completed operations aggregate limit. All policies shall name the Buyer as additional insured parties. The Seller’s insurance policies shall be primary to any other coverage or insurance available to the Buyer. Prior to any payment by the Buyer under this agreement, the Seller shall provide certificates of insurance to the Buyer reflecting such coverage.
Purchase Agreement

ARTICLE VII
General Provisions

Section 7.1. All notices and other communications given hereunder shall be in writing and shall be deemed to have been duly given and received when personally delivered; or when mailed by certified mail, postage prepaid and return receipt requested; or by reputable overnight delivery service:

a. If to the Seller,
Aqualitec Corp.
4831 W. Jefferson Blvd.
Los Angeles, California 90016

b. If to the Buyer,
City of Langley
999 Coles Road
Langley, WA 98260

Section 7.2. This Agreement shall be binding on and shall inure to the benefit of each of the parties hereto and their respective successors or assigns.

Section 7.3. This Agreement, when combined with the Specifications defined in Section 1.1, constitutes the entire agreement between the parties hereto. The Specifications are subject to all terms and limitations of this Agreement.

Section 7.4. This Agreement shall not be amended or modified except in writing executed by each of the parties hereto.

Section 7.5. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision.

Section 7.6. The section headings herein are for convenience only and shall not affect the interpretation of this document. Gender and pronouns, and singular and plural references used herein shall be interchangeable as appropriate.

Section 7.7. This Agreement shall be construed under and governed by the law of the State of California. The parties agree that any dispute shall be litigated in any State Court for Los Angeles, CA. The parties consent to the jurisdiction of any State Court for Los Angeles, CA.

Section 7.8. In the event of any dispute between the parties, the prevailing party shall be entitled to receive all reasonable fees and expenses connected with such dispute, including reasonable attorneys’ fees.

"SELLER:"
Aqualitec Corp.
Date: 01/24/12
By:

"BUYER:"
City of Langley
Date:
By:

Name: Marc Monfort
Title: President

Name:
Title: