

**DYNAMIC AIR
PROPOSAL**



August 13, 2020

SOUTH VALLEY WATER RECLAMATION FACILITY
7495 1300W
West Jordan, UT 84084

Attention: Mr. Taigon Worthen, P.E.
Email address: tworthen@svwater.com

Subject: Replacement Components For Existing Dynamic Air Job# 5544, Systems 100 And
200 at South Valley Reclamation Facility in West Jordan, UT
Dynamic Air Proposal #20-0084C

Dear Mr. Worthen:

We offer our revised proposal #20-0084C along with our drawing #B-20-0084C outlining the proposed equipment that is based on the routing and system design as you requested.

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System 100A: Replacement components to convey Dried Sewage Sludge from an existing surge hopper to existing storage silos based on the following material characteristics and design parameters:

Material Characteristics:

Material:	Dried Sewage Sludge
Bulk Density (Lb./Cu. Ft.):	60
Particle Size:	4-100 mesh
Temperature:	100 °F
Moisture Content:	0.25%
Abrasiveness:	High
Gravity Flow:	Poor
Fluidizable:	No
Needs Vibra-Jet Bin Aerators:	Yes

General Design Parameters:

Type of system:	HDP 3000 Conventional Concept
Conveying Distance:	154 Ft. (max.)

Special Design Considerations:

It is assumed that the existing electrical controls on site are operational and functioning as designed and will be utilized for this system modification. If additional engineering or components are required this can be quoted at an additional charge.

The Dynamic Air scope in this proposal is for the replacement components of Systems 100A and 200A as listed according to general arrangement drawings developed during engineering, with engineering portion only previously purchased by South Valley Water Reclamation Facility on May 21, 2020, Purchase Order # 18981. Any additional parts or engineering can be supplied at an additional charge.

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Equipment Listing:

- 1.1A Six (6) - Standard Tuf-Lok heavy-duty, self-aligning, high end-pull ring grip type conveying line couplings.
- 1.2A Standard DC⁵ Air Saver controls constructed of molded black nylon, including standard volume control valve, standard clamp mounting, and flexible hose.
- 1.3A One hundred eighty (180) - Lineal Ft. of carbon steel conveying line, shipped in 20-foot random lengths .
- 1.4A Eight (8) - Abrasion resistant conveying line bends:
 - Three (3) at 90°
 - Four (4) at 45°
 - One (1) at 30°
- 1.5A One (1) - Abrasion resistant conveying line lateral at 45°.
- 1.6A Two (2) - Standard valve receiver conveying line diverters, including the following:
 - Carbon steel construction
 - Standard air operated Posi-Flate valve with standard solenoid valve and two (2) standard limit switches. Cast iron valve housing, cast iron disc, and black EPDM seat.
 - NEMA 7/9 suitable electrical components (
 - Power requirement is 24 volt DC

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System 200A: Replacement components to convey Dried Sewage Sludge from an existing surge hopper to existing storage silos based on the following material characteristics and design parameters:

Material Characteristics:

Material:	Dried Sewage Sludge
Bulk Density (Lb./Cu. Ft.):	60
Particle Size:	4-100 mesh
Temperature:	100 °F
Moisture Content:	0.25%
Abrasiveness:	High
Gravity Flow:	Poor
Fluidizable:	No
Needs Vibra-Jet Bin Aerators:	Yes

General Design Parameters:

Type of system:HDP 3000 Conventional Concept

Conveying Distance: 154 Ft. (max.)

Equipment Listing:

- 2.1A Seven (7) - Standard Tuf-Lok heavy-duty, self-aligning, high end-pull ring grip type conveying line couplings.
- 2.2A Standard DC⁵ Air Saver controls constructed of molded black nylon, including standard volume control valve, standard clamp mounting, and flexible hose.
- 2.3A One hundred sixty (160) - Lineal Ft. of carbon steel conveying line, shipped in 20-foot random lengths .
- 2.4A Six (6) - Abrasion resistant conveying line bends:
 - Three (3) at 90°
 - Three (3) at 45°
- 2.5A One (1) - Abrasion resistant conveying line lateral at 45°.

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- 2.6A Two (2) - Standard valve receiver conveying line diverters, including the following:
- Carbon steel construction
 - Standard air operated Posi-Flate valve with standard solenoid valve and two (2) standard limit switches. Cast iron valve housing, cast iron disc, and black EPDM seat.
 - NEMA 7/9 suitable electrical components (
 - Power requirement is 24 volt DC

- E.1 The Dynamic Air equipment scope includes the following (when applicable):
- Project Scheduling, with appropriate ship dates
 - General Arrangement Drawings, showing equipment dimensions and orientations, and mechanical equipment identification numbers
 - Wiring Diagrams, showing all termination points of each piece of discrete and analog equipment to be controlled
 - Piping Diagrams, showing all control piping, instrumentation, and electrical equipment identification numbers
 - Standard Installation and Operation Guides for the Dynamic Air supplied equipment
 - Documentation in electronic format

PRICE: (Equipment Only) Systems 100A & 200A\$26,726

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Start-Up Service:

S.1 One (1) - Lot of start-up service by one (1) Dynamic Air service technician to assist in the commissioning of the proposed Dynamic Air manufactured equipment, to include the following:

- Mechanical and electrical inspection of the equipment
- Adjustment of system settings and optimization of system performance (Safe access to the equipment is to be provided by the customer.)
- Time to include approximately one (1) week of five (5) continuous eight (8) hour work days at standard straight time rate, including travel time for one (1) round trip (1 day of travel each way) from Dynamic Air's facility in St. Paul, Minnesota, to the customer's facility and back
- Travel, lodging, per-diem for meals, and telephone expenses for the service technician

Notes: The customer must notify Dynamic Air's Service Manager at least three (3) weeks prior to the desired commencement of start-up to assure availability of a technician.

This start-up service is offered for Dynamic Air manufactured equipment only, and does not include start-up services from the manufacturers of purchased process equipment that may be part of the proposed scope, such as air compressors, air dryers, vacuum pumps, blowers, screeners, crushers, packaging equipment, drum or box dumpers, magnets, vibrating bin dischargers, mechanical conveyors, and similar equipment.

Unused or additional service will be rebated or charged to the customer at the following rates:

Service Time (Straight Time Only)\$140/Hour
Expenses(Actual Unused/Used)

The straight time rate above does not apply to Saturdays, Sundays, holidays, time in excess of eight (8) hours per working day, foreign travel, or special staff.

ESTIMATED PRICE: (Service Only) Item S.1\$9,075

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Payment Schedule:

- 25% upon receipt of order, net five (5) days;
- 30% upon submission of drawings for customer approval, net thirty (30) days;
- Balance upon partial or complete shipment of equipment, net thirty (30) days with a 2% monthly finance charge on overdue balances.

Prices and payment terms are valid for thirty (30) days and are offered in accordance with Dynamic Air Terms & Conditions #D082019. All sales taxes are the responsibility of the customer.

All prices are freight collect from St. Paul, Minnesota, and direct shipping points.

The scope of supply shall be as defined in this proposal. Unless otherwise indicated in this proposal, the proposal price does not include items such as, but not limited to: installation labor or materials; equipment support drawings or supporting members; installation supervision; start-up service; access to equipment for adjustment purposes when start-up service is purchased; construction or furnishing of any pit, pit steel, footings, or foundations; structural steel work; conveying line supports; building alterations; demolition; electrical wiring; motor starters; variable frequency drives, water supply piping; compressed air system including the air compressor, air dryer, air filters or air receivers; compressed air piping; expansion joints; pressure relief devices; fasteners; railcar or truck discharge hoppers; hopper discharge flow aid devices; heat tracing; insulation; dust deflagration vents; inert gas blanket systems; explosion proof electrical devices; spare or replacement parts; or anything else not specifically stated in this proposal. Any change to the scope of supply after the publication of this proposal will change the price accordingly.

All vibrating equipment, whether balanced or non-balanced, transmits dynamic reaction forces into support structures and foundations. The customer is responsible for soil conditions, foundation designs, and the effects of vibration transmission for any proposed vibrating equipment.

Some or all of the proposed equipment may require compressed air for operation. Unless the required compressed air system is included in this proposal, it is customer's responsibility to provide the necessary clean, dry compressed air at the pressures and volumes required.

To guarantee the performance of all the proposed equipment, and for equipment design purposes, each specific material to be handled must undergo testing as determined by Dynamic Air.

Unless otherwise indicated in this proposal, this proposal was not developed based upon any formal, written or verbal customer specifications. All of the proposed equipment is manufactured according to Dynamic Air's standard good engineering and design practices unless specific different engineering and design practices are described in this proposal.

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Unless otherwise indicated in this proposal, the proposed equipment, with the exception of stainless steel or aluminum components, will be painted with Dynamic Air's standard paint, except as follows: The conveying line and bends are furnished unpainted. Items such as large hoppers, steel silos, and any carbon steel accessories or fabrications, support legs or lugs, etc., that are not described otherwise in this proposal, are prime painted on the exterior only. Any protective coatings to guard against ozone or corrosion of any type, other than Dynamic Air's standard protection, will be provided by the customer. Components not manufactured by Dynamic Air will be painted the manufacturer's standard color. The customer will provide all required field touch-up paint.

We wish to thank you for your interest in Dynamic Air's products and services. I will be calling you shortly to follow-up on our proposal. Please contact me in the mean time if you have any questions or concerns.

Respectfully,
DYNAMIC AIR INC.

Paul Demeules
Regional Application Engineering Manager
Direct Dial #651-486-3092
E-mail address: paul.demeules@dynamicair.com

Enclosures: Terms & Conditions # D082019
Preliminary Flow Diagram #B-20-0084C

cc: Local Dynamic Air representative: Matt Rawley of Acrodyne Inc.
(Phone #303-783-5448; email: mrawley@acrodyne.net)

These Terms and Conditions are part of the contract between Dynamic Air Inc. (Seller) and the Buyer named in the proposal submitted by Seller. The formation of a contract between Seller and Buyer is expressly conditioned upon inclusion of these Terms and Conditions # D082019.

PAYMENT TERMS

The price of the scope of supply and the equipment and services furnished by Seller under the Buyer's purchase order/contract (hereinafter collectively referred to as the "SUPPLY") as referenced in Seller's proposal, shall be payable in currency of the United States at par at 1125 Willow Lake Boulevard, St. Paul, Minnesota 55110. Payment schedule is per Seller's proposal to Buyer. Prices quoted are Ex Works St. Paul, MN and shipping point(s). Seller's price does not include sales tax. Sales tax will be invoiced if applicable and required of Seller to collect. If not required of Seller, Buyer shall assess use tax. If Buyer provides a tax exemption certificate and this purchase is later found out to be a taxable sale that the Seller is required to pay taxes on, Seller will invoice customer for all sales tax due. If Buyer is delinquent, breaches or defaults in payment or otherwise, Seller reserves the right to modify the payment schedule and shall be entitled to recover from Buyer all attorney's fees, legal expenses and costs incurred by Seller to enforce the provisions of the contract.

SHIPMENT DATE.

Seller reserves the right to ship the SUPPLY according to the contract delivery date. If Buyer cannot accept the Supply within 15-days after the contract delivery date and the equipment that is part of the Supply must be put into storage, all costs for handling and storage will be the sole responsibility of the Buyer.

RISK OF DAMAGE AND LOSS.

Seller shall be responsible for damage to or loss of the equipment that is part of the SUPPLY or any part thereof until delivery to the common carrier, unless freight costs are pre-paid and added to the equipment invoices, at which time the risk of damage to or loss of the SUPPLY or any part thereof shall pass to Buyer. Buyer agrees to thoroughly and completely inspect the SUPPLY upon arrival and to file a claim with the common carrier for any damage or loss notwithstanding the fact that Seller reserves the right of possession and title to the SUPPLY until the purchase price is paid in full, as provided herein.

TITLE AND POSSESSION.

Title and right of possession of the SUPPLY shall remain with Seller until full payment of the purchase price according to the terms of the proposal. Title and right of possession shall remain with Seller notwithstanding the delivery of the SUPPLY to Buyer or to a common carrier or to other bailee for the purpose of transportation to Buyer. The SUPPLY shall not become a part of any real estate by reason of being attached thereto or installed thereon. If Buyer shall default on payment, Seller may elect to exercise its lien upon said SUPPLY as provided by this paragraph and the Minnesota Uniform Commercial Code. Buyer hereby grants to Seller an irrevocable license to enter upon any real estate owned or leased by Buyer for the purpose of removing said SUPPLY, and Buyer shall pay all expenses of removing said SUPPLY including the damage, if any, to real and personal property to which it is affixed.

GOVERNING LAW AND FORUM.

This contract will be governed by and construed under the laws of the State of Minnesota, U.S.A. without regard to conflicts of laws provisions. The state and federal courts sitting in Minnesota will have exclusive jurisdiction over any claim or action relating to or arising out of the contract and each party consents to the exclusive jurisdiction of such courts and waives any argument that jurisdiction and venue in such forum is not proper or convenient. However Seller may exercise its mechanic's lien rights in any jurisdiction in which the assertion of a mechanic's lien is an available legal remedy.

CANCELLATION AND ORDERS PUT ON HOLD BY BUYER.

Orders are not subject to change or cancellation by Buyer except with the written approval of Seller.

LIMITED WARRANTY.

For a period of one (1) year from the date of shipment, Seller warrants that the equipment that is part of the SUPPLY sold by Seller will perform and function within the specifications, conditions and limitations published by Seller in its proposal to Buyer. When Seller's scope of supply includes products that are not manufactured by the Seller, that manufacturer's warranty and liability limitations will apply.

Seller's liability under this Warranty is expressly limited to correction within a reasonable time, using Seller's best efforts, of any defects or errors, which result in the SUPPLY not performing or complying to meet the specifications as defined in Seller's proposal to the Buyer including the design of the equipment that is part of the SUPPLY and including the repair or replacement of any parts by making available FOB Seller's plant a repaired or replacement part, provided such defective parts are returned to Seller at Buyer's expense

Correction of non-conformities in the manner and for the period of time provided above shall constitute fulfillment of all liabilities of Seller to Buyer, whether based on contract, negligence or otherwise, with respect to the SUPPLY.

This Warranty shall apply only if the SUPPLY is installed and operated according to all specifications, drawings, operating manuals, maintenance instructions, and other conditions published by Seller. The Seller does not warrant: (a) defects caused by failure to provide a suitable and fit for purpose installation environment; (b) damage as a result of abrasion, corrosion, or erosion, (c) equipment started-up without the use of Seller's start-up services; (d) Buyer's improper or abnormal operation of the SUPPLY; or any other failure not addressed in this warranty. Field removal and reinstallation of warranty components will be provided only when Seller provides installation. All liabilities including Buyer's indemnification of Seller and Seller's

attorney's fees for claims of property damage, personnel injury and death or performance deficiencies associated with or caused by a Buyer's supplied components are the sole responsibility of Buyer. Furthermore, if Buyer modifies Seller's design, all warranties are disclaimed.

WARRANTY DISCLAIMERS AND EXCLUSIONS.

THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES AND SELLER SPECIFICALLY DISCLAIMS ALL OTHER WARRANTIES INCLUDING BUT NOT LIMITED TO WARRANTIES RELATED TO SERVICES PROVIDED BY SELLER UNDER THIS AGREEMENT

DAMAGES EXCLUSION.

IN NO EVENT SHALL EITHER PARTY FOR ANY REASON BE LIABLE TO EACH OTHER OR ANY THIRD PARTIES, FOR ANY SPECIAL, INCIDENTAL, INDIRECT, DELAYED PRODUCTION, LOSS OF PAST OR PROSPECTIVE LOST PROFIT OR CONSEQUENTIAL DAMAGES OF ANY KIND WHATSOEVER (INCLUDING, WITHOUT LIMITATION, DAMAGES IN TORT OR IN CONTRACT FOR LOSS OF BUSINESS PROFITS, BUSINESS INTERRUPTION, LOSS OF BUSINESS INFORMATION, ERRORS AND OMISSIONS OR ANY OTHER PECUNIARY LOSS) ARISING OUT OF THE GOODS AND SERVICES PROVIDED UNDER THE CONTRACT, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THOSE PROVISIONS OF THE UCC AND ANY OTHER LAWS THAT PERMIT THE IMPOSITION OF CONSEQUENTIAL DAMAGES ARE DISALLOWED.

The remedies set forth herein are exclusive, and the liability of Seller with respect to the SUPPLY, excluding direct damages for property damage and injury/death liability, or any act in connection therewith, whether in a contract, tort, or under any warranty or otherwise, shall not, under any circumstances, exceed the actual price of the SUPPLY paid to Seller, and installation cost, if, and only if, such installation was performed by Seller, and less the value of any component parts of the SUPPLY which may be retained and utilized by Buyer.

No employee or representative, except an officer of Seller, is authorized to change this Warranty in any way or grant any other warranty. Any change to this Warranty or any further warranty granted by an officer of Seller shall be effective only if in writing and signed by such officer.

INDEMNIFICATION.

Buyer will defend, indemnify and hold Seller harmless from all liability, costs and expenses including all attorneys' fees, and consequential damages which Seller may incur or for which Seller may be held liable in connection with any damage or injury to any person or to any property resulting from: (a) Buyer's failure to determine and inform Seller of any hazards associated with Buyer's process, materials handled or environment and/or (b) Buyer's own negligence. Where personal injury, death, or loss of or damage to property is the result of joint negligence, gross negligence or willful misconduct of Buyer and Seller, the indemnitor's duty of indemnification shall be in proportion to its allocable share of such joint negligence, gross negligence or willful misconduct.

MODIFICATION

This written offer and acceptance constitute the entire contract of the parties unless subsequently modified in writing and re-executed by an authorized officer of Seller. All previous negotiations, correspondence, plans and conversations which are not embodied in this written contract by attachment hereto are hereby declared to be abandoned and withdrawn.

No provision of this transaction or these Terms and Conditions may be waived, amended or modified by either party unless such waiver, amendment or modification is in writing and signed by both parties.

SEVERABILITY.

If any provision of these Terms and Conditions is held by any court to be unenforceable, the balance of the provisions of the Terms and Conditions shall remain in full force and effect.

SELLER'S FIELD SERVICE PERSONNEL SAFETY

Buyer shall notify Seller's Service Personnel of all safety requirements in all areas the Service Personnel shall enter, and Buyer shall hold Seller harmless from all claims for injury and all damage, loss, legal expenses or costs of any kind (excluding those resulting from Seller's negligence or willful misconduct) resulting from Buyer's failure to so notify the Service Personnel.

If any safety equipment or clothes are required by the safety policy of Buyer's facility, other than safety glasses and steel toed safety shoes, they shall be provided to the Service Personnel at Buyer's expense. Safe access to the equipment for adjustment purposes will be provided by the customer. If the Service Personnel determine any area in which work must be performed is unsafe, work will not be performed there and Buyer must pay for all work performed in other areas and all travel and subsistence incurred.

If the equipment serviced is not installed and operated in strict accordance with all drawings, manuals, instructions and recommendations provided by Seller, Buyer assumes all risks of damage, loss or personal injury whether direct or indirect.

