

Heber Public Utility District Report to the Board of Directors

MEETING DATE: August 20, 2020

FROM: Laura Fischer, General Manager

SUBJECT: Adopt Resolution Number 2020-1 to Adopt the Modified Five Year Capital Improvement Budget.

ISSUE:

Shall the Heber Public Utility Board of Directors adopt Resolution Number 2020-17 to adopt the modified five-year Capital Improvement Budget?

GENERAL MANAGER RECOMMENDATION:

Adopt Resolution Number 2020-17 to adopt the Modified Five-Year Capital Improvement Budget as Presented.

FISCAL IMPACT:

The proposed HPUD Five-Year Capital Improvement budget for the wastewater fund includes a project for manhole repair/replacement in the amount of \$100,300. Staff is recommending using these funds for a repair/replacement project at the wastewater treatment plant. Staff is waiting for a complete quote for parts, materials and labor. I will include this information as soon as it is available. Staff feels it will not exceed the amount budgeted for the manhole repair and replacement project.

Aerotors Improvement Project Cost Estimate			
<i>PARTS & MATERIALS</i>	<i>QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL</i>
End Shaft	2	4,788	\$ 9,576
Bearing	3	982	\$ 2,946
Disc Support Shaft Kit	10	618	\$ 6,180
Mid Spok	7	1,003	\$ 7,021
Drive Sprcket Ring	1	3,386	\$ 3,386
Wheel Sprocket	8	1,233	\$ 9,864
Drive Chain	6	7,437	\$ 44,622
Misc Brackets etc	1	1,457	\$ 1,457
SUB TOTAL			\$ 85,052
Tax			\$ 7,655
West Tech Labor (Daily)	2	4700	\$ 9,400
TOTAL			\$ 102,107

DISCUSSION:

The picture on the right is from West Tech website and shows the STM-Aerotors that the HPUD has at our wastewater treatment plant.



The District's Capital Improvement Budget reflects the current and future needs of the District. Staff has developed projects with estimated cost in anticipation of new regulations, population growth projections, the newly adopted Strategic Plan, and other demands on our District. The wastewater projects listed include for FY 2020-21 include:

- The Wastewater Fund Project Schedule continues to fund deferred maintenance projects and has a total of \$100,300 for FY 2020-21, which is funded 100% by Wastewater Funds.
 - Phase 6 of the manhole repair project will be moving forward with construction in FY 2020-21. This project will continue to be budgeted as manholes need to be repaired and replaced.

As you know, the wastewater treatment plant project components are nine years old as the project was completed in 2012. Some of the moving parts on the STM-Aerotors are in need of repair and we need to purchase some replacement parts. This system is proprietary and there is only one vendor that we can get the parts from.

You may recall that over the past two years, the HPUD staff has hired in a welding company to make some repairs to the STM Aerotor system. These welding repairs included welding plate walls, crossbars, and end shafts. This has saved the District several thousand dollars.

The project we are proposing to repair the STM-Aerotors includes the following:

Replace the chains – There are six chains. We have one spare chain for backup. The chains are showing signs of wear and have some holes in the links. It is recommended that we replace them as they have exceeded their life expectancy. The chains that we remove may be able to be refurbished to be used as backup if needed.

Replace Bearings/Bushings – These parts are not something that can be fabricated or repaired.

Due to COVID restrictions on working hours, the District and the welding company have fallen behind on repairs of the STM-aerotors. The south train is down and cleaned and HPUD staff are tightening bolts and performing routine annual maintenance. The welding company is behind in repairing a gear box, which is critical to the function of the south train. HPUD staff hopes to have the south train back online by the end of August.

The proposed STM-Aerotore repair/replacement project is needed as the moving parts on

this equipment has met its life expectancy. This project should be included in your capital improvement project list every seven to eight years.

This project also allows the HPUD wastewater staff to have at least one spare part reserved to keep one train (either north or south) online and functioning at all times. We do have an emergency plan to keep our plant functioning with the STM-Aerotors, but the best practice is to maintain this equipment and replace as needed.

The repairs we make annually to the STM-Aerotors are included in our operation and maintenance budget, however this project is a major repair/replacement of equipment and staff has determined that it should be capitalized. Thus, we are requesting that capital improvement funds be used for this project. Properly accounting for the use of funds is an important part of prudent government management and more accurately accounts for operational costs.

CONCLUSION:

As the manhole repair/replacement project is an ongoing project that is not urgent, staff recommends replacing this project with a more urgently needed project at the wastewater treatment plant. This project is the repair/replacement of the STM-Aerotors treatment system.

Staff recommends approval of Resolution 2020-17 to modify the wastewater fund capital improvement project list for FY 2020-21 as presented.

ALTERNATIVES:

- 1) Do not adopt Resolution 2020-17 to modify the Five-Year Capital Improvement Plan.
- 2) Provide alternate direction to staff.

Respectfully Submitted,

Laura Fischer
General Manager

Attachments: Five Year CIP Budget
Cost estimates from WesTech

RESOLUTION NO. 2020-17

A RESOLUTION OF THE HEBER PUBLIC UTILITY DISTRICT MODIFYING THE FIVE YEAR PROGRAM OF PROJECTS FOR CAPITAL IMPROVEMENT FOR FISCAL YEAR 2020-21

WHEREAS, the Heber Public Utility District adopted Resolution 2020-11 approving a Five-Year Program of Projects for Capital Improvement for Fiscal Year 2020-21; and

WHEREAS, the Wastewater Fund Program of Project list included the repair/replacement of Manholes; and

WHEREAS, the Heber Public Utility District staff has determined that the Repair/Replacement of the STM-Aerotors is a project of greater urgency than the repair/replacement of Manholes; and

WHEREAS, in said fiscal year beginning July 1, 2020, the MODIFIED Five Year Program of Projects for Capital Improvement is attached to this Resolution; and

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE HEBER PUBLIC UTILITY DISTRICT, DOES HEREBY RESOLVE AS FOLLOWS:

1. That the foregoing is true, correct and adopted.
2. That the Board of Directors finds that the MODIFIED Fiscal Year 2020-21 Five Year Program of Projects for Capital Improvements reflects the District's Capital needs for the current Fiscal Year and the next four years.
3. That the Board of Directors of the Heber Public Utility District does hereby adopt this Resolution MODIFYING the Five Year Capital Improvement Program of Projects for the Wastewater Fund as set forth.
4. That the President of the Board of Directors of the Heber Public Utility District is hereby authorized to sign said Resolution, a copy of which is on file at the District office.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Heber Public Utility District held on the 20th day of August 2020.

Moises Cardenas, Board President

ATTEST:

Raquel Carrillo, Clerk of the Board

APPROVE AS TO FORM:

Steven M. Walker, General Counsel

STATE OF CALIFORNIA)
COUNTY OF IMPERIAL)
HEBER PUBLIC UTILITY)
DISTRICT)

I, Raquel Carrillo, Clerk of the Board of the Heber Public Utility District, County of Imperial, State of California, DO HEREBY CERTIFY that the foregoing resolution was dully passed, approved and adopted by the Board of Directors of the Heber Public Utility District at its regularly scheduled meeting held on the 20th day of August 2020.

By _____
Raquel Carrillo, Clerk of the Board

WESTECH QUOTATION

WESTECH [®]	P.O. BOX 65068	Phone: 801-265-1000	Quotation No.
	SALT LAKE CITY, UTAH 84165-0068	Fax: 801-265-1080	Q33758-136537

Thank you for the opportunity to quote you with your equipment needs.

Please review the following and contact us to place an order or ask any question.

Date: 8/14/2020	Proj Manager: CHARIS LOERTSCHER	Ship Via: BEST WAY
RFQ No.: Q33758-136537	Prime Job No: 21482A	Freight: FOB SHIPPING POINT, FREIGHT PREPAID & ADDED
Quoted by: CHARIS LOERTSCHER	Prime Name: HEBER PUD 1.2 MILLION GALLON WWTP EXPANSION	
Phone: 801-290-7024 or 801-265-1000	Equipment: STM AEROTORS	Lead Time: 10 WEEKS
Email: CLOERTSCHER@WESTECH-INC.COM	Tax Area Code: CAIMPERIAL	Quote Valid: 15 days
For Group: 15	Payment Terms: NET 30 DAYS	

Bill To:	HEBER PUBLIC UTILITY DISTRICT EDUARDO GONZALES 1078 DOGWOOD ROAD HEBER, CA 92249 UNITED STATES OF AMERICA	Ship To:	HEBER PUBLIC UTILITY DISTRICT 1184 ROCKWOOD AVE. SUITE 103 HEBER, CA 92249 UNITED STATES OF AMERICA
HEB004	SUITE 103 HEBER, CA 92249 UNITED STATES OF AMERICA	76113	HEBER, CA 92249 UNITED STATES OF AMERICA
Tel/Cell:	760-427-4687 EGONZALES@HEBER.CA.GOV	Tel/Cell:	760-482-2440 / 760-353-9951

Doc	No.	Part/Dwg Number	Description	Qty	Units	Unit Price	Net Price
62747	104	STM-ES-12	END SHAFT	2	EA	\$4,788.00	\$9,576.00
62747			(REFURBISHED END SHAFTS FOR EVERY WHEEL AFTER THE FIRST \$2721)				
62747	106	STM-BR-12	BEARING	2	EA	\$982.00	\$1,964.00
62747	114		DISC SUPPORT SHAFT KIT (TO INCLUDE:*)	10	KIT	\$618.00	\$6,180.00
62747		1-45970	*DISC SUPPORT SHAFT, , MALE/FEMALE	10	EA		
62747		1-42850	*PLATE, WALL REINFORCING	20	EA		
62747			*WALL REINFORCING FASTENERS	44	EA		
62747			*DISC SUPPORT SHAFT NYLOCK NUT	11	EA		
62747			*DISC SUPPORT SHAFT BOLT	11	EA		
62747		1-42850	PLATE, WALL REINFORCING	10	EA	\$34.00	\$340.00
62747			*WALL REINFORCING FASTENERS	20	EA		
62747	125	B129 A	CROSS BRACE	16	EA	\$259.00	\$4,144.00
62747	130	STM-SPKM-4.8W	MID SPOKE	7	EA	\$1,003.00	\$7,021.00
24242	137	STM-DSR-16..5T6.05	DRIVE SPROCKET RING - UPGRADED HUNTING TOOTH SPLIT RING	1	EA	\$3,386.00	\$3,386.00
24242	138	C134 A	WHEEL SPROCKET-96T	8	EA	\$1,233.00	\$9,864.00
24242	145	A139 A	DRIVE CHAIN (TO INCLUDE:*)	1	EA	\$7,437.00	\$7,437.00
62747			*CHAIN (108 PITCHES)	54.42	FT		
62747			*PIN, COTTER,	2	EA		
62747			*PIN, CLEVIS,	2	EA		
62747			*CHAIN LINK, OFFSET,	1	EA		
24242	203	-----	DRIVE SPROCKET TO DRIVE SHAFT FASTENER	1	EA	\$6.00	\$6.00
24242	212		SPOKE TO WHEEL SPROCKETS FASTENERS	34	EA	\$5.00	\$170.00

24242 217	DRIVE SPROCKET RING TO HUB FASTENERS	48 EA	\$3.00	\$144.00
24242 227	SPOKE TO WHEEL SECTIONS FASTENERS	134 EA	\$2.00	\$268.00
24242 -----	CROSS BRACE TO SPOKES FASTENERS	34 EA	\$2.00	\$68.00
24242	CTR SHAFT TO SPOKE FASTENERS	100 EA	\$2.00	\$200.00
24242	MIXING PADDLE FASTENERS	9 EA	\$2.00	\$18.00
24242	SPOKE SPPT TO CTR SHAFT FASTENERS	34 EA	\$2.00	\$68.00
24242	BEARING SUPPORT BACK & TOP FASTENERS	18 EA	\$2.00	\$36.00
24242 232 -----	BEARING ANCHOR FASTENERS	9 EA	\$33.00	\$297.00
24242 245	END SHAFT TO CTR SHAFT FASTENERS	26 EA	\$7.00	\$182.00

No sales, GST, PST, use, or other taxes have been included in our pricing. No discounts accepted.

Quoted in US Dollars Grand Total \$51,369.00

-Please see the attached General Terms and Conditions. All purchase orders for Aftermarket parts need to be in US dollars.

-Please see the attached for Warranty Information.

-Minimum Order amount is US\$100.

-All information provided with and including this proposal is considered proprietary and is not for distribution without express written consent of WesTech Engineering, Inc.

-WesTech prefers that payments under \$3,000 are processed by Credit Card. Any orders over \$10,000 can not be accepted by Credit Card and will be invoiced at terms. This is to include freight and taxes. A processing fee of up to 4 percent on Credit Cards may be added where allowed by law.

This Quotation is subject to all specifications above as well as all attachments included with this document.

Thank you again for your quote request!

Best Regards,



QF-00-005

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Terms of Sales

Order No: Q33758-136537

Terms and Conditions appearing in any order based on this proposal which are inconsistent herewith shall not be binding on WesTech Engineering Inc. The sale and purchase of equipment described herein shall be governed exclusively by the foregoing proposal and the following provisions:

1. **SPECIFICATIONS:** WesTech Engineering Inc. is furnishing its standard equipment as outlined in the proposal and as will be covered by final approved drawings. The equipment may not be in strict compliance with the Engineer's/Owner's plans, specifications, or addenda as there may be deviations. The equipment will, however, meet the general intention of the mechanical specifications of these documents.
2. **ITEMS INCLUDED:** This proposal includes only the equipment specified herein and does not include erection, installation, accessories, nor associated materials such as controls, piping, etc., unless specifically listed.
3. **PARTIES TO CONTRACT:** WesTech Engineering Inc. is not a party to or bound by the terms of any contract between WesTech Engineering Inc.'s customer and any other party. WesTech Engineering Inc.'s undertakings are limited to those defined in the contract between WesTech Engineering Inc. and its direct customers.
4. **PRICE AND DELIVERY:** All selling prices quoted are subject to change without notice after 30 days from the date of this proposal unless specified otherwise. Unless otherwise stated, all prices are F.O.B. WesTech Engineering Inc. or its supplier's shipping points. All claims for damage, delay or shortage arising from such equipment shall be made by Purchaser directly against the carrier. When shipments are quoted F.O.B. job site or other designation, Purchaser shall inspect the equipment shipped, notifying WesTech Engineering Inc. of any damage or shortage within forty-eight hours of receipt, and failure to so notify WesTech Engineering Inc. shall constitute acceptance by Purchaser, relieving WesTech Engineering Inc. of any liability for shipping damages or shortages.
5. **PAYMENTS:** All invoices are net 30 days. Delinquencies are subject to a 1.5 percent service charge per month or the maximum permitted by law, whichever is less on all past due accounts. Pro rata payments are due as shipments are made. If shipments are delayed by the Purchaser, invoices shall be sent on the date when WesTech Engineering Inc. is prepared to make shipment and payment shall become due under standard invoicing terms. If the work to be performed hereunder is delayed by the Purchaser, payments shall be based on the purchase price and percentage of completion. Products held for the Purchaser shall be at the risk and expense of the Purchaser. Unless specifically stated otherwise, prices quoted are for equipment only. These terms are independent of and not contingent upon the time and manner in which the Purchaser receives payment from the owner.
6. **PAYMENT TERMS:** Credit is subject to acceptance by WesTech Engineering Inc.'s Credit Department. If the financial condition of the Purchaser at any time is such as to give WesTech Engineering Inc., in its judgment, doubt concerning the Purchaser's ability to pay, WesTech Engineering Inc. may require full or partial payment in advance or may suspend any further deliveries or continuance of the work to be performed by the WesTech Engineering Inc. until such payment has been received.
7. **ESCALATION:** If shipment is, for any reason, deferred by the Purchaser beyond the normal shipment date, or if material price increases are greater than 5% from proposal date to material procurement date, stated prices set forth herein are subject to escalation. The escalation shall be based upon increases in labor and material and other costs to WesTech Engineering Inc. that occur in the time period between quotation and shipment by WesTech Engineering Inc. Purchaser agrees to this potential escalation regardless of contradicting terms in the contract, except when an agreed upon escalation adder is included in the price.
 - a) The total quoted revised price is based upon changes in the indices published by the United States Department of Labor, Bureau of Labor Statistics. Labor will be related to the Average Hourly Earnings indices found in the Employment and Earnings publication. Material will be related to the Metal and Metal Products Indices published in Wholesale Prices and Prices Indices.
 - b) Price revision for items furnished to, and not manufactured by WesTech Engineering Inc., which exceed the above escalation calculation, will be passed along by WesTech Engineering Inc. to Purchaser based upon the actual increase in price to WesTech Engineering Inc. for the period from the date of quotation to the date of

shipment by WesTech Engineering Inc. Any item that is so revised will be excluded from the index escalation calculations set forth in subparagraph (a) above.

8. **APPROVAL:** If approval of equipment submittals by Purchaser or others is required, a condition precedent to WesTech Engineering Inc. supplying any equipment shall be such complete approval.
9. **INSTALLATION SUPERVISION:** Prices quoted for equipment do not include installation supervision. WesTech Engineering Inc. recommends and will, upon request, make available, at WesTech Engineering Inc.'s then current rate, an experienced installation supervisor to act as the Purchaser's employee and agent to supervise installation of the equipment. Purchaser shall at its sole expense furnish all necessary labor equipment, and materials needed for installation.

Responsibility for proper operation of equipment, if not installed by WesTech Engineering Inc. or installed in accordance with WesTech Engineering Inc.'s instructions, and inspected and accepted in writing by WesTech Engineering Inc., rests entirely with Purchaser; and any work performed by WesTech Engineering Inc. personnel in making adjustment or changes must be paid for at WesTech Engineering Inc.'s then current per diem rates plus living and traveling expenses.

WesTech Engineering Inc. will supply the safety devices described in this proposal or shown in WesTech Engineering Inc.'s drawings furnished as part of this order but excepting these, WesTech Engineering Inc. shall not be required to supply or install any safety devices whether required by law or otherwise. The Purchaser hereby agrees to indemnify and hold harmless WesTech Engineering Inc. from any claims or losses arising due to alleged or actual insufficiency or inadequacy of the safety devices offered or supplied hereunder, whether specified by WesTech Engineering Inc. or Purchaser, and from any damage resulting from the use of the equipment supplied hereunder.
10. **ACCEPTANCE OF PRODUCTS:** Products will be deemed accepted without any claim by Purchaser unless written notice of non-acceptance is received by WesTech Engineering Inc. within 30 days of delivery if shipped F.O.B. point of shipment, or 48 hours of delivery if shipped F.O.B. point of destination. Such written notice shall not be considered received by WesTech Engineering Inc. unless it is accompanied by all freight bills for said shipment, with Purchaser's notations as to damages, shortages and conditions of equipment, containers, and seals. Non-accepted products are subject to the return policy stated below.
11. **TAXES:** Any federal, state, or local sales, use or other taxes applicable to this transaction, unless specifically included in the price, shall be for Purchaser's account.
12. **TITLE:** The equipment specified herein, and any replacements or substitutes therefore shall, regardless of the manner in which affixed to or used in connection with realty, remain the sole and personal property of WesTech Engineering Inc. until the full purchase price has been paid. Purchaser agrees to do all things necessary to protect and maintain WesTech Engineering Inc.'s title and interest in and to such equipment; and upon Purchaser's default, WesTech Engineering Inc. may retain as liquidated damages any and all partial payments made and shall be free to enter the premises where such equipment is located and remove the same as its property without prejudice to any further claims on account of damages or loss which WesTech Engineering Inc. may suffer from any cause.
13. **INSURANCE:** From date of shipment until the invoice is paid in full, Purchaser agrees to provide and maintain at its expense, but for WesTech Engineering Inc.'s benefit, adequate insurance including, but not limited to, builders risk insurance on the equipment against any loss of any nature whatsoever.
14. **SHIPMENTS:** Any shipment of delivery dates recited represent WesTech Engineering Inc.'s best estimate but no liability, direct or indirect, is assumed by WesTech Engineering Inc. for failure to ship or deliver on such dates.

WesTech Engineering Inc. shall have the right to make partial shipments; and invoices covering the same shall be due and payable by Purchaser in accordance with the payment terms thereof. If Purchaser defaults in any payment when due hereunder, WesTech Engineering Inc. may, without incurring any liability therefore to Purchaser or Purchaser's customers, declare all payments immediately due and payable with maximum legal interest thereon from due date of said payment, and at

Terms of Sales

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its option, stop all further work and shipments until all past due payments have been made, and/or require that any further deliveries be paid for prior shipment to shipment.

If Purchaser requests postponements of shipments, the purchase price shall be due and payable upon notice from WesTech Engineering Inc. that the equipment is ready for shipment; and thereafter any storage or other charge WesTech Engineering Inc. incurs on account of the equipment shall be for the Purchaser's account.

If delivery is specified at a point other than WesTech Engineering Inc. or its supplier's shipping points, and delivery is postponed or prevented by strike, accident, embargo, or other cause beyond WesTech Engineering Inc.'s reasonable control and occurring at a location other than WesTech Engineering Inc. or its supplier's shipping points, WesTech Engineering Inc. assumes no liability in delivery delay. If Purchaser refuses such delivery, WesTech Engineering Inc. may store the equipment at Purchaser's expense. For all purposes of this agreement such tender of delivery or storage shall constitute delivery.

15. WARRANTY: WESTECH ENGINEERING INC. WARRANTS EQUIPMENT IT SUPPLIES ONLY IN ACCORDANCE WITH THE WARRANTY EXPRESSED IN THE ATTACHED COPY OF "WESTECH WARRANTY" AGAINST DEFECTS IN WORKMANSHIP AND MATERIALS WHICH IS MADE A PART HEREOF. SUCH WARRANTY IN LIEU OF ALL OTHER WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE, WHETHER WRITTEN, ORAL, EXPRESSED, IMPLIED OR STATUTORY, WESTECH ENGINEERING INC. SHALL NOT BE LIABLE ANY CONTINGENT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES FOR ANY REASON WHATSOEVER.

16. PATENTS: WesTech Engineering Inc. agrees that it will, at its own expense, defend all suits or proceedings instituted against Purchaser and pay any award of damages assessed against it in such suits or proceedings, so far as the same are based on any claim that the said equipment or any part thereof constitutes an infringement of any apparatus patent of the United States issued at the date of this Agreement, provided WesTech Engineering Inc. is given prompt notice in writing of the institution or threatened institution of any suit or proceeding and is given full control of the defense, settlement, or compromise of any such action; and Purchaser agrees to give WesTech Engineering Inc. needed information, assistance, and authority to enable WesTech Engineering Inc. so to do. In the event said equipment is held or conceded to infringe such a patent, WesTech Engineering Inc. shall have the right at its sole option and expense to a) modify the equipment to be non-infringing, b) obtain for Purchaser the license to continue using said equipment, or c) accept return of the equipment and refund to the Purchaser the purchase price thereof less a reasonable charge for the use thereof. WesTech Engineering Inc. will reimburse Purchaser for actual out-of-pocket expenses, exclusive of legal fees, incurred in preparing such information and rendering such assistance at WesTech Engineering Inc.'s request. The foregoing states the entire liability of WesTech Engineering Inc., with respect to patent infringement; and except as otherwise agreed to in writing, WesTech Engineering Inc. assumes no responsibility for process patent infringement.

17. SURFACE PREPARATION AND PAINTING: If furnished, shop primer paint is intended to serve only as minimal protective finish. WesTech Engineering Inc. will not be responsible for the condition of primed or finish painted surfaces after equipment leaves its shops. Purchasers are invited to inspect paint in shops for proper preparation and application prior to shipment. WesTech Engineering Inc. assumes no responsibility for field surface preparation or touch-up of shipping damage to paint. Painting of fasteners and other touch-up to painted surfaces will be by Purchaser's painting contractor after mechanism installation.

Motors, gear motors, and other components not manufactured by WesTech Engineering Inc. will be painted with that manufacturer's standard paint system. It is WesTech Engineering Inc.'s intention to ship major steel components as soon as fabricated, often before drive, motors, and other manufactured components. Unless Purchaser can ensure that shop primed steel shall be field painted within thirty (30) days after arrival at the job site, WesTech Engineering Inc. encourages the Purchaser to order these components without primer.

WesTech Engineering Inc.'s prices are based on paints and surface preparations as outlined in the main body of this proposal. In the event that an alternate paint system is selected, WesTech Engineering Inc. requests that Purchaser's order advise of the paint selection. WesTech Engineering Inc. will then either adjust the price as may be necessary to comply or ship the material unpainted if compliance is not possible due to application problems or environmental controls.

18. CANCELLATION, SUSPENSION, OR DELAY: After acceptance by WesTech Engineering Inc., this proposal, or Purchaser's order based on this proposal, shall be a firm agreement and is not subject to cancellation, suspension, or delay except upon payment by Purchaser of appropriate charges which shall include all costs incurred by WesTech Engineering Inc. to date of cancellation, suspension, or delay plus a reasonable profit. Additionally, all charges related to storage and/or resumption of work, at WesTech Engineering Inc.'s plant or elsewhere, shall be for Purchaser's sole account; and all risks incidental to storage shall be assumed by Purchaser.

19. RETURN OF PRODUCTS: No products may be returned to WesTech Engineering Inc. without WesTech Engineering Inc.'s prior written permission. Said permission may be withheld by WesTech Engineering Inc. at its sole discretion.

20. BACKCHARGES: WesTech Engineering Inc. will not approve or accept backcharges for labor, materials, or other costs incurred by Purchaser or others in modification, adjustment, service, or repair of WesTech Engineering Inc.-furnished materials unless such back charge has been authorized in advance in writing by a WesTech Engineering Inc. employee, by a WesTech Engineering Inc. purchase order, or work requisition signed by WesTech Engineering Inc.

21. INDEMNIFICATION: Purchaser agrees to indemnify WesTech Engineering Inc. from all costs incurred, including but not limited to court costs and reasonable attorney fees, from enforcing any provisions of this contract, including but not limited to breach of contract or costs incurred in collecting monies owed on this contract.

22. ENTIRE AGREEMENT: This proposal expresses the entire agreement between the parties hereto superseding any prior understandings, and is not subject to modification except by a writing signed by an authorized officer of each party.

23. MOTORS AND MOTOR DRIVES: In order to avoid shipment delays of WesTech Engineering Inc. equipment, the motor drives may be sent directly to the job site for installation by the equipment installer. Minor fit-up may be required.

24. EXTENDED STORAGE: Extended storage instructions will be part of information provided to shipment. If equipment installation and start-up is delayed more than 30 days, the provisions of the storage instructions must be followed to keep WARRANTY in force.

25. LIABILITY: Professional liability insurance, including but not limited to, errors and omissions insurance, is not included. In any event, liability for errors and omissions shall be limited to the lesser of \$100,000USD or the value of the particular piece of equipment (not the value of the entire order) supplied by WesTech Engineering Inc. against which a claim is sought.

26. ARBITRATION NEGOTIATION: Any controversy or claim arising out of or relating to the performance of any contract resulting from this proposal or contract issued, or the breach thereof, shall be settled by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered to any court having jurisdiction.

ACCEPTED BY PURCHASER

Customer Name: _____

Customer Address: _____

Contact Name: _____

Contact Phone: _____

Contact Email: _____

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Quotation No: Q33758-136537

WARRANTY

WesTech Engineering Inc.'s equipment is backed by WesTech Engineering Inc.'s reputation as a quality manufacturer, and by many years of experience in design of reliable equipment.

Equipment manufactured or sold by WesTech Engineering, Inc., once paid for in full, is backed by the following warranty:

For the benefit of the original user, WesTech Engineering Inc. warrants all new equipment manufactured by WesTech Engineering, Inc. to be free from defects in material and workmanship, and will replace or repair, F.O.B. its factories or other location designated by it, any part or parts returned to it which WesTech Engineering Inc.'s examination shall show to have failed under normal use and service by the original user within one (1) year following initial start-up, or eighteen (18) months from shipment to the purchaser, whichever occurs first. Such repair or replacement shall be free of charge for all items except for those items such as resin, filter media and the like that are consumable and normally replaced during maintenance, with respect to which, repair or replacement shall be subject to pro-rata charge based upon WesTech Engineering Inc.'s estimate of the percentage of normal service life realized from the part. WesTech Engineering Inc.'s obligation under this warranty is conditioned upon its receiving prompt notice of claimed defects, which shall in no event be later than thirty (30) days following expiration of the warranty period, and is limited to repair or replacement as aforesaid.

THIS WARRANTY IS EXPRESSLY MADE BY WESTECH ENGINEERING INC. AND ACCEPTED BY PURCHASER IN LIEU OF ALL OTHER WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE, WHETHER WRITTEN, ORAL, EXPRESS, IMPLIED, OR STATUTORY. WESTECH ENGINEERING INC. NEITHER ASSUMES NOR AUTHORIZES ANY OTHER PERSON TO ASSUME FOR IT ANY OTHER LIABILITY WITH RESPECT TO ITS EQUIPMENT. WESTECH ENGINEERING INC. SHALL NOT BE LIABLE FOR NORMAL WEAR AND TEAR, CORROSION, OR ANY CONTINGENT, INCIDENTAL, OR CONSEQUENTIAL DAMAGE OR EXPENSE DUE TO PARTIAL OR COMPLETE INOPERABILITY OF ITS EQUIPMENT FOR ANY REASON WHATSOEVER.

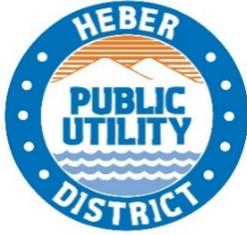
This warranty shall not apply to equipment or parts thereof which have been altered or repaired outside of a WesTech Engineering Inc. factory, or damaged by improper installation, application, or maintenance, or subjected to misuse, abuse, neglect, accident, or incomplete adherence to all manufacturer's requirements, including, but not limited to, Operations and Maintenance Manual guidelines and procedures.

This warranty applies only to equipment made or sold by WesTech Engineering, Inc.

WesTech Engineering, Inc. makes no warranty with respect to parts, accessories, or components purchased by the customer from others. The warranties which apply to such items are those offered by their respective manufacturers.

WESTECH ENGINEERING, INC.
3665 South West Temple, Salt Lake City, UT 84115

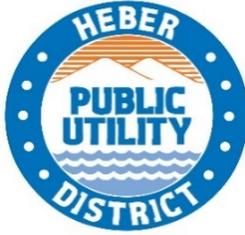
(801) 265-1000



CAPITAL IMPROVEMENT PROJECTS FY 2020-21

Adopted Via Resolution 2020-11

CAPITAL IMPROVEMENT PROJECTS		Project Schedule 2020-21
<i>PARKS DEPARTMENT</i>		<i>FY 2020-21</i>
<i>Tito Huerta Park</i>	<i>Resident Request Basketball court at the cement slab. And Possible Playground</i>	<i>0</i>
<i>Jiggs Johnson Park</i>	<i>Restrooms at Jiggs Johnson Park</i>	<i>0</i>
<i>Children's Park</i>	<i>Replace 40+ year old play equipment, shade structures, benches and tables , restrooms and Splaypad</i>	<i>170,000</i>
<i>Recreation Center</i>	<i>Install a metal building on the corner of Littlefield and Bloomfield for Recreation Activities</i>	<i>546,050</i>
<i>Estancia Park</i>	<i>Replace Sprinkler System to improve grass and make improvements to retention basin area</i>	<i>8,000</i>
<i>Correll Basin</i>	<i>'Rehab Retention Basin to allow drainage and install a park, walking path, lights, garden, and signage.</i>	<i>155,789</i>
TOTAL PARKS PROJECTS FOR FY 2020-21		\$879,839



CAPITAL IMPROVEMENT PROJECTS FY 2020-21

Adopted Via Resolution 2020-11

CAPITAL IMPROVEMENT PROJECTS		Project Schedule 2020-21
WATER DEPARTMENT		FY 2020-21
<i>Water Lines to Imperial Center</i>	<i>Potable Water Distribution Lines and Pressure Reducing Valves (Cost estimates and project development is approximate and updated in 2016)</i>	0
<i>Water Lines Rockwood to Pitzer</i>	<i>Install water lines on the north side of Highway 86 east of Rockwood Ave. to connect existing 8" lines west to Pitzer Road. Loop water lines and improve service and water quality.</i>	31,500
<i>Repair Relocate Water Lines in Courts</i>	<i>Repair and relocate water lines in the Courts. Lines are inferior quality and are breaking. Line to fire hydrant are located on private property.</i>	90,000
TOTAL WATER PROJECTS FOR FY 2020-21		\$121,500

WASTEWATER DEPARTMENT		FY 2020-21
<i>Tertiary Treatment</i>	<i>Secondary Treatment for Wastewater water to use as Parks Irrigation and sale to Ormat.</i>	0
<i>Manhole Project</i>	<i>Wastewater Manholes Improvement Project</i>	0
<i>STM-Aerotor Improvement</i>	<i>STM-Aerotor Improvement Project</i>	102,107
<i>Lift Station Improvements</i>	<i>Lift Station Improvements</i>	0
TOTAL WASTEWATER PROJECTS FOR FY 2020-21		\$102,107

GENERAL SERVICES		FY 2020-21
<i>New HPUD Offices</i>	<i>New Office Building Possible Location on Dogwood Rd. Property Owned by HPUD</i>	0
<i>Shop at WTP</i>	<i>New shade and expand usable area</i>	53,300
<i>NEW Shop - Expansion</i>	<i>NEW Shop for all departments</i>	0
TOTAL GENERAL SERVICES PROJECTS FY 2020-21		53,300

GRAND TOTAL CAPITAL IMPROVEMENT FY 2020-2021		\$1,156,746
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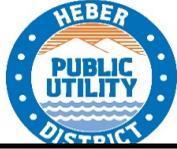
HPUD Five Year Capital Improvement Project List

Presented to HPUD BOD on June 18, 2020

WATER DISTRIBUTION

UNFUNDED	Water Distribution Lines	Total Project Cost	Project Schedule FY 19-20	Project Schedule FY 20-21	Project Schedule FY 21-22	Project Schedule FY 22-23	LONG TERM 6-10 YRS	Project Totals
<i>Will work with Developer and/or seek outside funding</i>	<i>Potable Water Distribution Lines and Pressure Reducing Valves (Cost estimates and project development is approximate and updated in 2016)</i>	\$ 979,000						
Project Components								
	Application & follow-ups					15,000		15,000
	Engineering Design					120,000		120,000
	Planning (CUP, ND,Env, Application)					20,000		20,000
	Bidding & Construction					24,000		24,000
	Construction, Inspection Adm & Survey & Contingency					800,000		800,000
	TOTAL		-	-	-	979,000	-	979,000

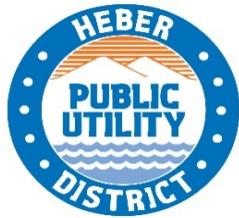
UNFUNDED	Water Distribution Lines	Total Project Cost	Project Schedule FY 19-20	Project Schedule FY 20-21	Project Schedule FY 21-22	Project Schedule FY 22-23	LONG TERM 6-10 YRS	Project Totals
<i>Apply for USDA Colonia Funds</i>	<i>Install water lines on the north side of Highway 86 east of Rockwood Ave. to connect existing 8" lines west to Pitzer Road. Loop water lines and improve service</i>	\$ 220,500						
Project Components								
	Engineering Design			31,500				31,500
	Bidding & Construction				175,000			175,000
	Construction, Inspection Adm & Survey & Contingency				14,000			14,000
	TOTAL		-	31,500	189,000	-	-	220,500



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UNFUNDED	Water Distribution Lines		Total Project Cost	Project Schedule FY 19-20	Project Schedule FY 20-21	Project Schedule FY 21-22	Project Schedule FY 22-23	LONG TERM 6-10 YRS	Project Totals
Apply for USDA Colonia Funds	Repair and relocate water lines in the Courts. Lines are inferior quality and are breaking. Line to fire hydrant are located on private property.		\$ 630,000						
<i>Project Components</i>									
	Engineering Design				90,000				90,000
	Bidding & Construction					500,000			500,000
	Construction, Inspection Adm & Survey & Contingency					40,000			40,000
	TOTAL			-	90,000	540,000	-	-	630,000



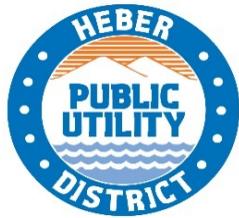
HPUD Five Year Capital Improvement Project List

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WASTEWATER DEPARTMENT

Funding Source	Wastewater Tertiary Water Treatment Project		\$ 8,593,324						
UNFUNDED	<i>Secondary Treatment for Wastewater water to use as Parks Irrigation and sale to Ormat.</i>		Project Total Cost	Project Schedule FY 19-20	Project Schedule FY 20-21	Project Schedule FY 21-22	Project Schedule FY 22-23	LONG TERM 6-10 YRS	Project Totals
<i>Project Components</i>									
Possible Grant and/or funding the Project with Ormat Contribution.		Application - costs	25,000					25,000	25,000
	0.0%	Engineering and Design	586,872					586,872	586,872
	0.0%	Bidding	36,680					36,680	36,680
	0.0%	Engineering- Staking, Geo & Elec	22,008					22,000	22,000
	8.0%	Construction Management	586,872					586,872	586,872
		Construction Costs	6,669,000					6,669,000	6,669,000
	10.0%	Contingency	666,900					666,900	666,900
	TOTAL		8,593,332					8,593,324	8,593,324

UNFUNDED AS OF 08/20/2020	Manhole Repair / Replace Project		\$ 337,010						
<i>Manhole repair/replacement project funded in each Fiscal Year</i>	<i>Wastewater Manholes Improvement Project MOVED FROM 2020-21 TO 2021-22 (8/20/20)</i>		Project Total Cost	Project Schedule FY 19-20	Project Schedule FY 20-21	Project Schedule FY 21-22	Project Schedule FY 22-23	LONG TERM 6-10 YRS	Project Totals
<i>Project Components</i>									
Wastewater Funds		Engineering and Design	10,000		0	5,000	0		15,000
		Bidding	10,000		0	5,000	0		15,000
		Construction Costs	156,289		0	86,000	0		250,145
	5.0%	Contingency for budget purposes only	19,130		0	43,000	0		56,865
		TOTAL		380,839	0	0	139,000	0	

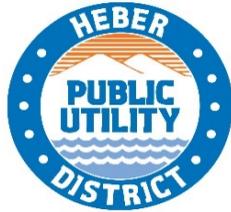


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WASTEWATER DEPARTMENT

FUNDED		Repair / Replace Aerotor Treatment System		\$ 102,107						
Repair / Replace STM-Aerotors	Wastewater STM - Aerotor Improvement Project ADDED TO CIP 8/20/20	Project Total Cost	Project Schedule FY 19-20	Project Schedule FY 20-21	Project Schedule FY 21-22	Project Schedule FY 22-23	LONG TERM 6-10 YRS	Project Totals		
Project Components										
Wastewater Funds	Parts and Supplies			85,052				85,052		
	Labor			7,655				7,655		
	Tax			9,400				9,400		
	TOTAL		0	102,107	0			102,107		
UNFUNDED		Lift Station Improvement Projects		\$ 200,000						
Wastewater Funds	Lift Station Improvements	Project Total Cost	Project Schedule FY 19-20	Project Schedule FY 20-21	Project Schedule FY 21-22	Project Schedule FY 22-23	LONG TERM 6-10 YRS	Project Totals		
Project Components										
5.0%	Engineering and Design & Bidding				10,000	10,000		20,000		
	Construction Costs				86,150	86,150		172,300		
	Contingency for budget purposes only				3,850	3,850		7,700		
	TOTAL		0	0	100,000	100,000		200,000		



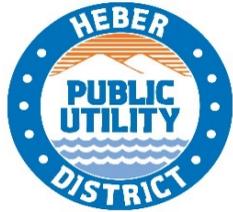
HPUD Five Year Capital Improvement Project List

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PARKS DEPARTMENT

Funding Source	Tito Huerta Park	\$ 200,000							
UNFUNDED	<i>Resident Request for a Basketball court at the cement slab. And Possible Playground</i>	Project Cost	Project Schedule FY 19-20	Project Schedule FY 20-21	Project Schedule FY 21-22	Project Schedule FY 22-23	LONG TERM 6-10 YRS	Project Totals	
Funding Source		\$ 200,000							
	Project Components								
Park and Recreation Funds - General Property Taxes	Install Playground at Tito	120,000					120,000	120,000	
	Construction of a Basketball court	80,000					80,000	80,000	
	TOTAL	200,000					200,000	200,000	

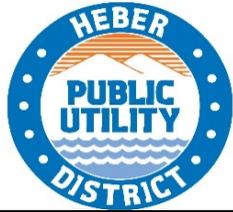
FUNDED - COMPLETE	PARKS DEPARTMENT								
Funding Source	Jiggs Johnson Park	\$ 114,200							
<i>Heber Meadows CFD Anticipated \$16,000 per year for Maintenance Only - Parks Reserve Funds established at \$115,000</i>	<i>Install Solar Area Lighting Shade Structures and Tables/Benches - COMPLETED IN FY 19-20.</i>	Project Cost	Project Schedule FY 19-20	Project Schedule FY 20-21	Project Schedule FY 21-22	Project Schedule FY 22-23	LONG TERM 6-10 YRS	Project Totals	
		\$ 114,200							
	Project Components								
PROJECT INCLUDED IN CAPITAL RESERVES FOR FY 2018-19	Admin Costs - Design Engineering	4,000						4,000	
	Construction - Install	20,000	15,769					20,000	
	Area Lights Purchase	70,200						70,200	
	Shade Structure over Tables	20,000	20,000					20,000	
	TOTAL	\$ 114,200	35,769					114,200	



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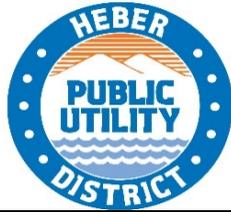
NOT FUNDED		PARKS DEPARTMENT						
Funding Source	Jiggs Johnson Park	\$ 111,600						
Heber Meadows CFD Anticipated \$16,000 per year for Maintenance Only -	Restrooms at Jiggs Johnson Park	Project Cost	Project Schedule FY 19-20	Project Schedule FY 20-21	Project Schedule FY 21-22	Project Schedule FY 22-23	LONG TERM 6-10 YRS	Project Totals
		\$ 111,600						
	<i>Project Components</i>							
PROJECT NOT FUNDED IN 2020-21	Admin Costs - Design Engineering	4,000			4,000			4,000
	Construction - Install	95,000			95,000			95,000
	CM	7,600			7,600			7,600
	Permits	5,000			5,000			5,000
	TOTAL	\$ 111,600	0	0	111,600	0	0	111,600



HPUD Five Year Capital Improvement Project List

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GRANT FUNDED		PARKS DEPARTMENT						
Funding Source	Children's Park							
STATEWIDE PARK PROGRAM GRANT AWARDED FOR \$700K	Replace 40+ year old play equipment, shade structures, benches and tables & RESTROOMS & SPLASH PAD AWARDED STATE PARKS GRANT \$700,000	Total Project Cost	Project Schedule FY 19-20	Project Schedule FY 20-21	Project Schedule FY 21-22	Project Schedule FY 22-23	LONG TERM 6-10 YRS	Project Totals
HPUD MUST FUND ANY AMOUNT OVER \$700,000 Reserve should include known amount over \$700K	Project Components Renovate Existing playground with new inclusive equipment	125,000			125,000			125,000
	New SplashPad with recycling water	175,000			175,000			175,000
	Restrooms	95,000			95,000			95,000
	Bio-swale and install xeriscape	165,000			165,000			165,000
								0
	Design	95,000		95,000				95,000
	Bidding	10,000		10,000				10,000
	Construction Management	60,000		60,000				60,000
	Permits	5,000		5,000				5,000
	TOTAL	\$ 730,000		170,000	560,000		0	730,000



HPUD Five Year Capital Improvement Project List

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FULLY FUNDED		PARKS DEPARTMENT						
Funding Source		Recreation Building at Littlefield Lot						
Property Taxes TRA 006-002 Used for Maintenance of Parks 2 Grant Awards from IID Local Entity \$75,000 and \$80,000 TOTAL \$155,000	Install a metal building on the corner of Littlefield and Bloomfield for Recreation Activities	Total Project Cost	Project Schedule FY 19-20	Project Schedule FY 20-21	Project Schedule FY 21-22	Project Schedule FY 22-23	LONG TERM 6-10 YRS	Project Totals
		\$ 586,050						
IID Grants for \$155,000		Project Components						
HPUD reserves - committed \$351K Parks and \$80 Trash	Design Engineering	35,000	10,000	25,000				35,000
	Construction	535,000	30,000	505,000				535,000
	Contingency	16,050		16,050				16,050
	TOTAL	\$ 586,050	30,000	546,050				586,050

NOT FUNDED		PARKS DEPARTMENT						
Funding Source		Estancia Park						
CFD with County of Imperial	Replace Sprinkler System to improve grass and make improvements to retention basin area	Total Project Cost	Project Schedule FY 19-20	Project Schedule FY 20-21	Project Schedule FY 21-22	Project Schedule FY 22-23	LONG TERM 6-10 YRS	Project Totals
		\$ 113,200						
Project Components								
	Design Engineering	8,000		8,000				8,000
	Construction	100,000			100,000			100,000
	Contingency	5,200			5,200			5,200
	TOTAL	\$ 113,200	0	8,000	105,200			113,200



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UNFUNDED

ALL FUNDS - GENERAL PROJECTS

Funding Source

New Office Building

\$ 1,210,000

All Funds
Water
Sewer
Trash
Parks

New Office Building		Project Cost	Project Schedule FY 19-20	Project Schedule FY 20-21	Project Schedule FY 21-22	Project Schedule FY 22-23	LONG TERM 6-10 YRS	Project Totals
New Office Building Possible Location on Dogwood Rd. Property Owned by HPUD		\$ 1,210,000						
Project Components								
15%	Admin - Engineering						150,000	150,000
	Purchase Property						60,000	60,000
	Construction						1,000,000	1,000,000
TOTAL		1,210,000	0	0				1,210,000

Reserve Funds

Water/Sewer/Parks - GENERAL PROJECTS

Funding Source

Upgrades to Shop at Ingram Ave

\$ 53,300

Water 45%
Sewer 45%
Parks 10%
Split

Upgrades to Shop at Ingram Ave		Project Cost	Project Schedule FY 19-20	Project Schedule FY 20-21	Project Schedule FY 21-22	Project Schedule FY 22-23	LONG TERM 6-10 YRS	Project Totals
New shade and expand usable area at WTP Shop		\$ 53,300						
Project Components								
15%	Admin - Engineering	5000		5,000				5,000
	Demo	4800		4,800				4,800
	Construction	43500		43,500				43,500
TOTAL		53,300	0	53,300				53,300

Reserve Funds

Water/Sewer/Parks - GENERAL PROJECTS

Funding Source

NEW SHOP

\$ 505,000

Water 45%
Sewer 45%
Parks 10%
Split

NEW SHOP		Project Cost	Project Schedule FY 19-20	Project Schedule FY 20-21	Project Schedule FY 21-22	Project Schedule FY 22-23	LONG TERM 6-10 YRS	Project Totals
NEW Shop for all departments		\$ 505,000						
Project Components								
15%	Admin -	5000					5,000	5,000
	Purchase Price	500000					500,000	500,000
TOTAL		505,000	0	0			505,000	505,000