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**CITY OF MARATHON, FLORIDA  
RESOLUTION 2008-82**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, AUTHORIZING AWARD OF CONTRACT TO AIRVAC INC. FOR PURCHASE OF VACUUM STATION EQUIPMENT FOR SERVICE AREA # 6 WASTEWATER TREATMENT PLANTS IN AN AMOUNT OF \$276,040**

**WHEREAS**, on November 13, 2007 City Council awarded the construction contract for Service Areas 4 & 6 to Lanzo Construction Company; and

**WHEREAS**, per the terms of the contract, the City has the right to purchase the treatment plant equipment that was originally included in Lanzo's bid directly from Airvac, Inc. and Siemens Water Technologies, resulting in a substantial cost savings for the City ; and

**WHEREAS**, the direct purchase price for Service Area 6 vacuum station equipment is \$276,040.00

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, that:**

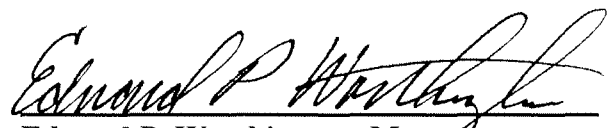
**Section 1.** The above recitals are true and correct and incorporated herein.

**Section 2.** Council authorizes the City's direct purchase of vacuum station equipment from Airvac in an amount of \$276,040.00 as per the agreement attached as exhibit "A".

**Section 3.** This resolution shall take effect immediately upon its adoption.

**PASSED AND APPROVED** by the City Council of the City of Marathon, Florida, this 13 th day of May, 2008.

**THE CITY OF MARATHON, FLORIDA**

  
Edward P. Worthington, Mayor

AYES: Tempest, Bull, Cinque, Vasil, Worthington  
NOES: None  
ABSENT: None  
ABSTAIN: None

**ATTEST:**

Hillary Harrison  
~~Diane Clavier, City Clerk~~ Hillary Harrison  
Acting city clerk  
(City Seal)

**APPROVED AS TO FORM AND LEGALITY FOR THE USE AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:**

  
\_\_\_\_\_  
Jimmy Morales, City Attorney



**THE WORLD LEADER IN  
VACUUM SEWER TECHNOLOGY**

May 8, 2008

Area 6 – City of Marathon  
Wastewater Treatment Facility  
Vacuum Station Equipment package

TAMPA OFFICE  
AIRVAC, INC.  
200 Tower Drive, Suite A  
Oldsmar, FL 34677 U.S.A.  
Phone: (813) 855-6297  
Fax: (813) 855-9093  
Web: www.airvac.com

Gentlemen:

We are pleased to offer a package of station equipment required to construct the vacuum sewerage system for the Area 6 vacuum sewer project.

Material and equipment offered shall be in accordance AIRVAC Inc. standards as used by Weiler Engineering Corp.

The package offered by AIRVAC includes only the specialized vacuum equipment itemized in this letter.

#### **CONTRACTOR NOTES**

The equipment shall be ready for operation once the contractor has done the following:

- Set the collection tank into the building.
- Mount the isolation valves provided for the incoming vacuum lines to the collection tank.
- Provide and install the piping past the limit of our supply from the isolation valves for the incoming vacuum lines to the exterior of the building.
- Provide and install conduit and wire for the (2) conductance type level probes, the solenoid valve on the butterfly valve and the 4/20ma transmitter from the junction box on the collection tank to the Pump Control Panel upstairs. Install the 75' of cable for the radio frequency level controls as indicated below.
- The contractor will need to make the final cuts and install the 8" Sch 80 PVC header piping from the top of the collection tank to the vacuum pump header on the vacuum pump skid. The contractor is responsible for all pipe hangers/supports.

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- Set the sewage pump skid into the building.
  - Provide and install all anchor bolts.
  - AIRVAC will provide 75 ft of motor cables. The Contractor will need to route these to the Pump Control Panel upstairs.
  - Mount the sewage pump isolation valves and vibration isolators to the inlet side of the sewage pumps.
  - Re-Assemble the force main assembly to the pump volutes. "Discharge side"
  - Re-Assemble the sewage pump equalizing lines. – Where required.
  - Install the compound gauge on the force main piping past the AIRVAC supply limits.
  - Provide and install the common force main pipe past the limit of our supply to the exterior of the building.
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### CONTRACTOR NOTES

- Set the vacuum pump skid into the building.
- The contractor will need to make the final cuts and install the 8" Sch 80 PVC header piping from the bottom of the vacuum pump header to the top of the collection tank.
- Provide and install the vacuum pump exhaust piping from the 3" elbow provided to the 12" ductile iron exhaust piping below grade. (3) required.
- AIRVAC will provide ¼" nylon tubing between the air compressor and the actuator on the butterfly valve mounted on top of the collection tank. The contractor needs to route this line down the 8" header piping.
- Provide conduit and wire from the junction box on the vacuum pump skid to the Pump Control Panel.

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- Set the Pump Control Panel in the building and secure it as required.
  - Connect the Pump Control Panel to the main power distribution panel as required.
  - Provide and install electrical conduit and wire between the junction boxes and the Pump Control Panel.
  - Provide and install the electrical/telephone lines to the Pump Control Panel.

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- Install the 2" station sump valve as indicated below.

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- Provide touch up painting as needed. – 2 gallons of touch up paint will be provided.

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- Weight of the collection tank, will be around 5,500 lbs, the sewage pump skid will weigh around 3,500 lbs ea, the vacuum pump skid will weigh around 10,500 lbs. The Pump Control Panel will weigh around 2,000 lbs. Exact weights will be provided just prior to shipment.

### VACUUM STATION EQUIPMENT PACKAGE

The AIRVAC package contains:

**Collection Tank shall consist of the following items:**

- One (1) – 2,600 gallon, 6' diameter carbon steel tank with Rust-Oleum Epoxy coatings as indicated in the specifications. The vacuum collection tank will have all nozzles and openings as shown on the drawings.
- One (1) - 6" flanged cast iron eccentric plug valve with gear operator, chain-wheel and 9' of chain for field installation on 6" incoming vacuum main nozzle.
- Two (2) - 10" flanged cast iron eccentric plug valves with gear operators, chain-wheel and 9' of chain for field installation on 10" incoming vacuum main nozzles.
- One (1) - 8" butterfly valve, cast iron body, stainless steel stem, ductile iron disc (Nylon 11 coated) and air actuator factory installed on collection tank outlet nozzle to vacuum pump skid. Wiring for the solenoid valve shall terminate at the junction box mounted on the tank. The contractor shall provide and install wire from the junction box to the Pump Control Panel upstairs. AIRVAC will provide ¼" nylon tubing between the air compressor to the vacuum pump skid upstairs. The contractor will need to route this air line up the header assembly and over to the air compressor.
- Five (5) - 4 1/2" diameter 0-30" hg vacuum gauges fitted with stainless steel bourdon tube and socket, phenolic case, 1/2" lower connection. Three (3) gauges will be installed on a gauge panel on the tank and one (1) gauge will be installed on the collection tank. The fifth is a spare for the owner. 3/8" tubing will be supplied by AIRVAC for final installation by the contractor. This tubing will need to be run from the gauge on the panel to a 3/8" barb installed by the contractor on the vacuum main, down stream of the isolation valves mounted on the collection tank nozzles.
- As Required - 1/2" stainless steel lever operated ball valves to be used as gauge cocks in factory supplied piping.
- As Required - 1" PVC ball valves factory installed on sight glass, air admission nozzles and drain lines.
- One (1) - Clear PVC pipe for sight glass complete with fittings factory installed on collection tank.
- The collection tank package includes a conductance ground probe and conductance high level probe and holders. A radio frequency probe for level control will be incorporated into the collection tank. Controls for the capacitance probes shall be intrinsically safe. Wiring for the probes shall terminate at the junction box on the tank. The Contractor will need to provide and install the conduit for the radio frequency probe. AIRVAC will provide 75' of cable with the radio probe.
- One (1) 4/20 ma vacuum pressure transmitter installed on the collection tank. The contractor will need to provide and install the cable and conduit from the transmitter to the Pump Control Panel upstairs on the vacuum pump skid.

### VACUUM STATION EQUIPMENT PACKAGE

**Sewage pump skid and force main equipment shall consist of the following items:**

- (1) Painted carbon steel deck assembly. Sized appropriately.
- Two (2) - 394 GPM, @ 50 FT TDH, Vertical Dry-Pit submersible sewage pumps with 15HP, 1750 RPM, 480V motor. AIRVAC will wire provide 75' of motor cables. The contractor will need to route these to the Pump Control Panel upstairs.
- Two (2) - 6" flanged cast iron plug valves with hand-wheels. **Shipped loose** for installation in the field by the contractor. In between the collection tank outlet flange and the sewage pump inlet piping.
- Two (2) - 6" vibration isolators. **Shipped loose** for installation in the field by the contractor. In between the collection tank outlet flange and the sewage pump inlet piping.
- Two (2) - 4" flanged cast iron plug valves with levers factory installed in the sewage pump discharge piping.
- Two (2) - 4" flanged cast iron check valves with a soft rubber seat, external lever, weight factory installed in the sewage pump discharge piping.
- Common Force Main discharge assembly complete with One (1) - 6" flanged cast iron plug valve with hand-wheel operator, chain-wheel and 9' of chain and One (1) - 6" flanged cast iron check valve with a soft rubber seat, external lever and weight.
- One (1) - 4 1/2" diameter 30HG-0-200 psi compound gauge fitted with stainless steel bourdon tube and sockets, phenolic cases, 1/2" lower connections and cleanable diaphragm seal. For use on the sewage pump discharge piping from the sewage pumps past the limit of AIRVAC supply. AIRVAC will supply the gauge but the contractor will need to install the gauge in the field in the common force main piping just beyond the limit of AIRVAC supply.
- Two (2) - Clear 1" sight glass's complete with fittings factory installed on the equalizing lines connected to the sewage pump discharge piping. Re-Assembly is required in the field.
- As Required -1" PVC ball valves factory installed on equalizing lines and drain lines.

## VACUUM STATION EQUIPMENT PACKAGE

### Vacuum Pump Skid shall consist of the following items:

- (1) Painted carbon steel deck assembly. Sized appropriately.
- Three (3) - Busch vacuum pumps, Model RC-0630, 455 cfm, complete with 25HP motors, inlet filters. The inlet filters will be supplied with drain lines to the edge of the vacuum pump skid. The contractor is responsible to provide the 1" drain piping to the sump in the basement when required. The vacuum pump will be provided with over temperature switches for vacuum pump exhaust and crankcase heaters. AIRVAC will wire the motors, temperature switches and crankcase heaters to a junction box on the skid.
- Three (3) - 3" butterfly valves, cast iron body, stainless steel stem, ductile iron disc (Nylon 11 coated), complete with lever factory installed on the vacuum pump inlet piping.
- Three (3) - 3" flanged cast iron check valves fitted with 20 durometer rubber flappers factory installed on the vacuum pump inlet piping.
- Three (3) - 3" flanged cast iron check valves fitted with 20 durometer rubber flappers factory installed on the vacuum pump discharge piping. 304 Stainless Steel pipe and fittings to bring the exhaust piping to the edge of the skid.
- One (1) air compressor. AIRVAC will wire the motor, and the pressure switch to a junction box on the skid. AIRVAC will provide ¼" nylon tubing. The contractor will need to route this tubing down the 10" header piping to the collection tank in the field.
- The 3" 304 stainless steel inlet piping for the vacuum pumps shall be combined into a common cement lined ductile iron ten-inch manifold. The manifold will change from ductile iron to Sch 80 PVC as indicated on the shop drawings on the vacuum pump skid. AIRVAC will supply the material to complete the 8" Sch 80 PVC assembly between the header and the collection tank. The contractor will need to cut the pipe to the final lengths in the field. The contractor will need to supply and install all pipe hangers.
- Each vacuum pump exhaust line will be terminated at the edge of the skid with a 3" 304 Stainless Steel elbow facing down.

## VACUUM STATION EQUIPMENT PACKAGE

### Pump Control Panel

- One (1) Complete NEMA 12 Enclosure with floor stands mounted to the vacuum pump skid. Controls will use Allen Bradley PLC logic to operate the various pumps. Allen Bradley soft starters will be used on the vacuum pumps and sewage pump motors. This enclosure will come with its own side disconnect switch - 200 AMP - Sized for (3) 25HP an (2) 15HP motors. A 4 channel telephone alarm dialer and a 8" vacuum chart recorder will be mounted through the face of the enclosure. HOA switches and hour run meters will be included with the panel.

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### One (1) - AIRVAC Interface valve for the vacuum station sump consisting of:

- One (1) two 2" bolted ball valve to isolate interface valve. Mounted on the collection tank.
- One (1) - AIRVAC 2" 'D' model valve, tubing and 2" AIRVAC Check valve for use with the station sump complete with sensor cap and 2 - 2" no-hub couplings. Shipped loose for installation by the contractor.
- The contractor will be responsible to provide and install the associated pipe and hanging brackets for field assembly to the collection tank.

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### General Notes:

- AIRVAC will perform factory testing. A start up report will be provided.
- AIRVAC will provide spare parts. – Vacuum pumps, Sewage pumps, Control Panel.
- Start up services for the station equipment has been included. (1) person (1) wk AIRVAC standard start up services will be provided. A start up report will be provided.

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### Painting:

The vacuum pumps and the sewage pumps will be mounted to skids. This skid will be painted with Rust-Oleum, Epoxy Finish. (#9186 Navy Gray)

- The Vacuum pumps will not be painted. They will be provided as per the pump manufacturer's standard paint. "Hammer Tone Gray".
- The sewage pumps will be painted. (#9186 Navy Gray)
- The collection tank will be painted. (#9186 Navy Gray)
- All pipe, fittings and valves will be painted. (#9186 Navy Gray)
- Any other color or paint requirements will be the responsibility of the contractor.



<b>VACUUM STATION EQUIPMENT PACKAGE</b>	
<p><b>Piping and hardware:</b></p> <p>AIRVAC Inc. shall provide cement lined ductile iron pipe and fittings on the vacuum header and sewage pump force main piping. To the limit of our supply.</p> <p>AIRVAC Inc. shall provide 304 Stainless Steel pipe and fittings from the vacuum pump header to the inlet through to the exhaust side of the vacuum pumps up to the limit of our supply.</p> <p>AIRVAC Inc. shall provide all nuts, bolts and washers made from zinc coated carbon steel.</p> <p>-----</p> <p><b>Operating and Maintenance Manuals:</b></p> <p>AIRVAC Inc. shall provide O &amp; M manuals for the equipment supplied by AIRVAC Inc.</p> <p>-----</p> <p><b>Buffer Tank Kit:</b></p> <p>(1) Vacuum valve, (1) external breather (1) set of pipe hanging brackets. The contractor is responsible for the horizontal run of 1 ¼" Sch 80 pvc pipe for the external breather.</p>	
Vacuum Station Equipment Package	<b>\$276,040.00</b>

**EXCEPTIONS/CLARIFICATIONS**

No exceptions/clarifications are being taken at this time.

**DELIVERY**

Anticipated shop drawing lead time:

- The Vacuum Collection Equipment Skid Package: (4) Four weeks after AIRVAC's receipt of an approved purchase order or letter of intent.

Anticipated shop drawing review by Engineer:

- (4) Four weeks after receipt of the AIRVAC drawings.

Anticipated product shipment lead time:

- The Vacuum Collection Equipment Skid Package: (22-24) Twenty-Four weeks delivery after AIRVAC' receipt of approved shop drawings from contractor.
- Combined lead-time for this equipment package is (32) weeks from the date of receipt of an approved purchase order.
- We believe this time can be expedited if the long lead time equipment can be released into production prior to submittal approval. Sewage pumps, vacuum pumps, collection tank. We will need something directing us with your purchase order if you desire an expedited delivery.
- AIRVAC will do everything possible to expedite delivery but we do not see it being expedited under (26) weeks from the date of receipt of and approved purchase order.

### DELIVERY

Anticipated lead time required for providing an AIRVAC field supervisor.

- Notify the AIRVAC Technical Services Department at least (3) three weeks prior to start up. A complete and operable force main, permanent power to the building, and water for filling the force main along with vacuum main line flushing should be ready prior to start up being performed.

**NOTE:** The purchaser shall provide all labor and equipment to off-load all materials. Any trailer demurrage charges assessed by the carrier because of delays in unloading the trailer shall be the responsibility of the purchaser. We estimate no longer than 4 hours.

### TERMS AND CONDITIONS

All prices quoted above are F.O.B. factory, full freight allowed to the job site. ***The prices do not include sales tax, or any other tax, if applicable. Any special shipping arrangements requested by the purchaser are subject to additional freight charges.***

We have included with our freight cost the following shipping arrangements:

(2) Loads of station equipment.

AIRVAC's standard payment terms and conditions are an integral part of this offer (refer to attached copy). To avoid delays in processing an order, the purchaser should acknowledge acceptance of these terms and conditions by signing the attached copy and returning it to AIRVAC when placing any order.

Payment terms are 100% of the invoiced amount, net 30 days from the date of shipment, No Retainage allowed. To minimize the number of days required for repayment to the contractor by the owner, it is suggested that shipping dates should be scheduled to coincide with the project's pay periods.

Prices quoted are contingent on the purchaser purchasing all the material and equipment contained in this letter (quantities, etc.).

Any deletion of items listed will increase the price of the balance of our package. A fee will be charged for any item returned. See above exceptions/clarifications. The purchaser is responsible for all freight charges on all items being returned.

This offer is open for acceptance up to noon EST on June 1, 2008. After that date, AIRVAC reserves the right to re-quote the material. Equipment must be released into production no later than August 15, 2008

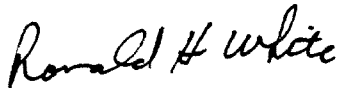
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May 8, 2008  
Marathon Area 6

**PATENTS**

As a matter of importance, AIRVAC Inc. uses a unique two-phase, plugless vacuum sewerage transport system and certain of its components are protected by United States certain patents. Obviously, the patented system and components may not be used or sold without authorization by AIRVAC. Purchase of an equipment package from AIRVAC and use according to its specifications is an authorized use.

If you have any questions regarding this offer, please feel free to call our office at 813-855-6297, my extension is 402. Our Regional Sales Manager, Mr. Dave Elias, can be reached at 813-855-6297 extension 403 or Sean Agans 813-503-3629.

Sincerely,



Ron White  
Inside Sales Manager

RW

cc: Mark Jones,  
Dave Elias, Sean Agans

## AIRVAC VACUUM STATION & OTHER EQUIPMENT 1 YEAR WARRANTY

1. **WARRANTY.** AIRVAC warrants the following Goods within the Warranty Period (as hereinafter defined) to function properly under normal, proper and rated use and service and to be free of defects in material or workmanship.. The term "Warranty Period" shall mean the earlier of (i) 18 months following delivery of the Goods in question or (ii) the first anniversary from the date the vacuum system is placed in service (defined as successful station start-up completed by AIRVAC).

**AIRVAC Vacuum Station skid(s), including all individual skid component Goods supplied by AIRVAC  
AIRVAC Traller-mounted vacuum pump (TMVP)**

2. **MANUFACTURING DEFECTS.** Subject to the time limits specified in Section 1 hereof, AIRVAC will repair or replace, at its option and expense, Goods that have failed to function properly because of defects in material or workmanship demonstrated to AIRVAC's satisfaction to have existed at the time of delivery, or refund the purchase price therefor. If the Goods in question can be sent in a box or similar package, Buyer, at AIRVAC's request, will send any allegedly defective Goods to a location designated by AIRVAC for inspection and any warranty repairs. Buyer will bear the expense of such return of Goods to AIRVAC. AIRVAC shall review returned Goods and determine if such returned Goods were subject to misuse or neglect. AIRVAC shall pay for return shipment to Buyer unless AIRVAC determines that the returned Goods were misused or neglected, in which case the Buyer shall bear the cost of return shipment.

If the Goods in question cannot be so sent, AIRVAC shall arrange for a representative to make an on-site inspection of the Goods and any warranty repairs. In the event that the Goods in question are determined not to be covered by the Warranty set forth in this Section, then Buyer shall be responsible for any delivery costs associated with the delivery and return of the Goods and for all reasonable costs and standard field service charges for any on-site inspection. If the Goods in question are covered by the Warranty, AIRVAC shall reimburse the Buyer for its costs associated with the delivery and return of the Goods.

3. **WARRANTY LIMITATIONS AND EXCLUSIONS:** The Warranty set forth under WARRANTY above (the "Warranty") is provided by AIRVAC to the Buyer and does not extend, expressly or by implication, to any other person or entity. The Warranty is in lieu of all other warranties, express or implied, including warranties of merchantability, fitness for any purpose or infringement not expressly set forth herein; and all such other warranties are expressly disclaimed. The Warranty shall not apply to any Goods that (i) have been subjected to misuse, mishandling, improper installation, neglect, accident, modification or alteration performed by anyone other than AIRVAC, (ii) have not been maintained or operated in accordance with AIRVAC instructions or (iii) are affected by a change in condition of usage, for which Buyer assumes all responsibility. It shall be Buyer's sole responsibility to test Goods for use upon a change in condition affecting such use. The foregoing warranty does not cover labor or other cost or expenses to remove or install any defective or replaced Goods.
4. **DISCLAIMER OF CONSEQUENTIAL DAMAGES.** In no event shall AIRVAC be liable for consequential damages arising out of or in connection with this Warranty or the use of the Goods covered hereby. Consequential damages shall include, without limitation, loss of use, income or profit, or losses sustained as the result of injury (including death) to any person or loss of or damage to property, (including without limitation, property handled or processed by the use of the Goods). Buyer shall indemnify AIRVAC against all liability, cost or expense, which may be sustained by AIRVAC on account of any such loss or injury.
5. **SPECIFIC ACTIONS THAT WILL VOID THE WARRANTY.** In addition to provisions set forth in Section 3(1), 3(ii) and 3(iii) hereof, any of the following specific actions will void the Warranty:
  - Failing to perform the complete vacuum station start-up tasks recommended by AIRVAC
  - Disabling any protective device such as emergency lock-out valves, vacuum pump over-temperature limits, etc.
  - Manifolding multiple vacuum pump exhaust lines without AIRVAC's prior written permission
  - Installing isolation valves on vacuum pump exhaust lines without AIRVAC's prior written permission
  - Abusing or failing to protect the AIRVAC equipment during storage handling or installation
  - Allowing flow rates to enter the vacuum station that are in excess of the station's rated design capacity
  - Any installation or action that is in conflict with AIRVAC's Design Manual, Installation Manual or other written maintenance instructions without AIRVAC's prior written permission.

## AIRVAC TERMS & CONDITIONS OF SALE

1. **ENTIRE CONTRACT.** The terms and conditions set forth below and on the face side hereof constitute the expression of all the terms of this agreement and a complete and exclusive statement of the agreement between Buyer and AIRVAC. All representations, promises, warranties or statements by any agent or employee of AIRVAC that differ in any way from the terms and conditions hereof shall be given no effect or force. Any additional, contradictory or different terms contained in any initial or subsequent order or communication from the Buyer are hereby objected to and rejected. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any term used in this Agreement. Acceptance or acquiescence in a course of performance rendered under this Agreement is not relevant to determine the meaning of this Agreement even though the accepting or acquiescing party has knowledge of the nature of the performance and the opportunity for objection. All orders are subject to the approval by AIRVAC at its principal business offices at 4217 N. Old U.S. 31, Rochester, IN 46975.
2. **PRICES.** AIRVAC's published prices, discounts, terms and conditions are subject to change without notice. All materials, products, goods, parts or equipment (collectively referred to herein as "Goods") will be invoiced at quoted prices. Unless otherwise noted on the face hereof, prices are net F.O.B. AIRVAC's producing factory. The amount of any applicable present or future tax or other government charge upon the production, sale, shipment or use of goods ordered or sold will be added to billing unless Buyer provides AIRVAC with an appropriate exemption certificate.
3. **PAYMENT TERMS; CREDIT; SECURITY INTEREST.** Unless otherwise provided on the face of this Agreement or in a writing signed by AIRVAC, payment for Goods shall be 100% of the invoiced amount, net 30 days from date of receipt. No retainage or other deductions shall be made from such payments. Pro-rata payments shall become due with partial shipments. A late charge of 1½ percent per month or the maximum amount permitted by law, whichever is less, will be imposed on all past due payments.

AIRVAC is a material supplier and is not a party to Buyer's agreement with owner or others. Buyer agrees to pay AIRVAC without reference to Buyer's contract with owner or others. It is understood the Buyer has the ultimate obligation to pay AIRVAC within a reasonable time regardless of Buyer's payment status from the owner.

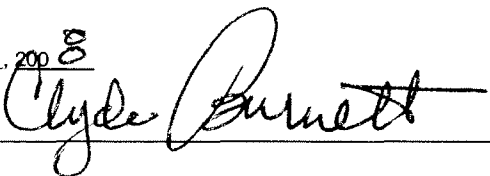
AIRVAC reserves the right at any time to suspend or change credit terms provided herein, when in AIRVAC's sole opinion Buyer's financial condition so warrants, and nothing contained herein shall be deemed to obligate AIRVAC to extend credit to Buyer. In such a case, in addition to any other remedies herein or by law provided, cash payment or satisfactory security from Buyer may be required by AIRVAC before shipment, or the due date of payment by Buyer under this Agreement may be accelerated. Failure to pay invoices at maturity date shall, at AIRVAC's election, make all subsequent invoices immediately due and payable irrespective of terms. Acceptance by AIRVAC of less than full payment shall not be a waiver of any of AIRVAC's rights hereunder or at law. In the event Buyer becomes insolvent before or upon delivery of any Goods purchased hereunder, Buyer shall so notify AIRVAC in writing. In the event Buyer becomes insolvent, repudiates this Agreement, or fails to make a payment due before delivery, or if for any other reason AIRVAC has a right to withhold or reclaim Goods under the applicable state and federal statutes, AIRVAC shall have the right to stop delivery of the Goods to Buyer. If Buyer is responsible for any delay in shipment, the date of completion of Goods may be treated by AIRVAC as the date of shipment for purposes of payment. Completed Goods shall be held at Buyer's cost and AIRVAC shall have the right to bill Buyer for reasonable storage and insurance expenses.

Until the purchase price and all other sums due pursuant hereto are paid in full, AIRVAC retains a security interest in the Goods and in all proceeds of said Goods. Buyer shall execute financing statement(s) at the request of AIRVAC and irrevocably authorizes AIRVAC to execute and file same.

4. **DELIVERY.** Delivery, shipment and installation dates are estimated dates only and, unless otherwise specified, are figured from date of receipt of complete technical data, approved drawings and Buyer's authorization to AIRVAC to proceed with manufacturing, as each of the same may be necessary. In estimating such dates, no allowance has been made, nor shall AIRVAC be liable, directly or indirectly, for acts of Buyer, delays resulting from subcontractors or carriers, labor difficulties, shortages, strikes or stoppages of any sort, fires, flood, tornadoes, hurricanes, accidents, damage to AIRVAC's facilities, failure or delay in obtaining materials or manufacturing facilities, acts of government, any causes beyond AIRVAC's control or causes designated Acts of God or force majeure by any court of law, and the estimated date shall be extended accordingly in such events.
5. **SHIPPING & PACKAGING.** AIRVAC shall use its own discretion in choice of carrier and method of packing and packaging. The cost of special packaging, if any, will be borne by Buyer. AIRVAC will be responsible for insuring shipments with the cost of such insurance included in the freight cost.
6. **TITLE & RISK OF LOSS.** Title to any Goods sold and risk of loss of such Goods passes to Buyer upon delivery of the Goods to the carrier by AIRVAC and any claims for loss or damage shall be made by the Buyer directly with the carrier.

7. ACCEPTANCE. Upon Buyer's receipt of shipment, Buyer and AIRVAC's representative shall immediately inspect the Goods. Unless Buyer provides AIRVAC with written notice of any claim for shortages or damage to the Goods within forty-eight (48) hours after receipt of shipment, such Goods shall be deemed finally inspected and accepted by Buyer.
8. BACK-CHARGES. AIRVAC is not liable for any charges incurred by Buyer for work, repairs, replacement or alternations to Goods without AIRVAC's prior written authorization and any adverse consequence resulting from such unauthorized work is Buyer's full responsibility. AIRVAC reserves the right to stop shipments until back-charge issues are resolved.
9. START-UP SERVICE. System start-up services will not be performed by AIRVAC until the invoiced amount is paid. Buyer shall provide three (3) weeks advance notice of request for AIRVAC start-up services. Buyer's failure to provide three weeks may result in additional charges for emergency response. It is Buyer's responsibility to ensure that water, electric service and any other related utilities are installed and available if such service is necessary for successful start-up. Should an AIRVAC technician arrive at the job site as scheduled and is unable to perform the work due to incomplete services, AIRVAC may bill Buyer for lost time at AIRVAC's prevailing rates.
10. OPERATING CONDITIONS. Recommendations and quotations are made upon the basis of operating conditions specified by Buyer. If actual conditions are different than those specified and performance of the equipment is adversely affected thereby, Buyer is responsible for the cost of all changes in the equipment required to accommodate such conditions.
11. CANCELLATION & RETURNED EQUIPMENT. Orders may be canceled or modified only with AIRVAC's written consent and upon payment by Buyer of reasonable and proper cancellation or modification charges. Goods may be returned by Buyer only when specifically authorized in writing by AIRVAC, and upon such return Buyer shall be charged for placing returned Goods in saleable condition, any related sales expenses, a restocking charge and any transportation costs associated with such return and resale.
12. ADDITIONAL GOODS. If Buyer purchases substitute or additional Goods from AIRVAC, the terms and conditions of this Agreement shall be applicable thereto.
13. SPECIAL JIGS, FIXTURES & PATTERNS. Any special jigs, fixtures, patterns and like items included in an order will remain AIRVAC's property without credit to Buyer. AIRVAC will assume the maintenance and replacement expenses of such items, but shall have the right to discard and scrap them, without credit to Buyer, after they have been inactive for one year.
14. LIMITATION OF LIABILITY. In no event or under any circumstance shall AIRVAC (including AIRVAC's directors, officers, employees and agents) be liable to Buyer (including such party's directors, officers, employees and agents) for any special, incidental, exemplary, indirect, punitive or consequential damages, whether based on contract, warranty or tort (including intentional acts, errors or omissions, negligence, indemnity, strict liability or otherwise), arising out of or in connection with this Agreement or the use of the Goods covered hereby.
15. RECORDS, AUDITS & PROPRIETARY DATA. Unless expressly authorized in writing by an authorized officer of AIRVAC, neither Buyer nor any representative of Buyer, nor any other person, shall have any right to examine or audit AIRVAC's accounts, books or records of any kind or on any matter, or be entitled to or have control over any engineering or production prints, drawings or technical data which AIRVAC, in its sole discretion, may consider in whole or in part proprietary.
16. AMENDMENTS AND WAIVERS. This Agreement may not be amended except in writing signed by an authorized representative of AIRVAC. No delay or omission by AIRVAC in exercising any right or remedy shall constitute a waiver of such right or remedy and shall not be considered as a bar to or a waiver of any such right or remedy on any future occasion. No agent, salesman or other person is authorized to bind AIRVAC by any agreement, warranty, statement, promise or understanding not herein expressed. The sale of Goods pursuant to this Agreement shall be governed by the laws of the State of Indiana (without regard to its conflicts of laws principles). Any clerical errors are subject to correction.
17. SUCCESSORS AND ASSIGNS. This Agreement is binding upon and shall inure to the benefit of the successors and assigns of Buyer and AIRVAC, provided, however, that Buyer or AIRVAC may not assign or transfer this Agreement, in whole or in part, except upon the prior written consent of the other.

Signed and accepted this 14 day of MAY, 2008

  
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