

**AN ORDINANCE APPROVING AND ACCEPTING A QUOTATION
WITH CLEAN MEMBRANES, INC.**

BE IT ORDAINED BY THE SOUTH SANGAMON WATER COMMISSION, AS FOLLOWS:

SECTION 1: That certain quote for the purchase of twenty-four (24) membranes with Clean Membranes, Inc. is accepted and approved by the South Sangamon Water Commission, a copy of which is attached hereto as Exhibit "A."

SECTION 2: That Chairman is authorized and directed to execute all documents necessary incorporating the proposal terms on behalf of the Commission, and the proper officers of the Commission are directed to carry out the proposal by its terms.

SECTION 3: This Ordinance is effective immediately.

PASSED this 20th day of February, 2018.


CHAIRMAN

ATTEST:


Clerk

AYES: Hall, Sander, Bloome
NAYS: none
PASSED: 2/20/2018
APPROVED: 2/20/2018
ABSENT: none

CLEAN MEMBRANES

QUOTATION

South Sangamon Water Commission

QUOTATION REF: M171203-C-1
 DATE: December 22, 2017
 SELL TO: South Sangamon Water Commission
 9919 Buckhart Rd
 Rochester, IL 62563
 SHIP TO: SAME
 CONTACT: Dan Held
 dheld@woodardcurran.com
 (217) 381-2206

Description	Quantity	Unit Price USD	Extended Price USD
Polymem UF120 S2F module, PVDF (Ex-Works, duties and freight not included) ¹	24	6,215.00	149,160.00
5% discount	24	(310.75)	(7,458.00)
Shipping crates	4	470.00	1,880.00
Air freight shipping cost – estimated ¹ (transit time approximately 5-10 days)	-	-	5,516.70
Sea freight shipping cost – estimated ¹ (transit time approximately 20-25 days)	-	-	3,168.12
Customs duties	-	-	TBD, paid by customer
Total price with shipping costs, air freight (USD) ¹	-	-	149,098.70
Total price with shipping costs, sea freight (USD) ¹	-	-	146,750.12

Please indicate your shipment choice on your PO: Air freight Sea freight

Shipping	Included in total price
Packing details	4 crates of 6 modules each
Estimated shipment date	18 weeks ARO and receipt of deposit
Estimated delivery date	TBD
Payment terms	50% deposit to initiate order / 50% upon delivery to customer
Payment instructions: EFT	Silicon Valley Bank, Routing# 121140399
	FCO: Clean Membranes, Inc., Acct# 3300784468
	Swift Code: SVBKUS6S

¹ Final cost will include actual shipping charges at the time of shipment

Clean Membranes Quotation Authorization:


 Guy Marchesseault
 VP & CCO

Clean Membranes, Inc. • 400 West Cummings Park, Suite 1625 • Woburn, MA 01801
 Tel: 978-649-9600 or 978-314-8802 • Fax: +1 978-649-9603 • sales@cleanmembranes.com

Exhibit "A"

Storage and Shipping of New Polymem Ultrafiltration Modules

New Polymem modules are tested and shipped wet in a preservative solution. The solution is a standard storage solution of water containing a 1 wt % food-grade sodium metabisulfite (SMBS) and 50 wt % glycerin. The storage solution prevents biological growth, freezing (see table attached for glycerin/water solution freezing point) and accidental drying during storage and shipping of modules.

Concentration (% by mass, weight)	Specific Gravity (at 60°F, 15.6°C)	Freezing Point	
		(°F)	(°C)
98.2	1.261	56	13.3
95	1.253	46	7.8
90	1.240	29	-1.7
80	1.213	-5	-20.6
70	1.185	-38	-38.9
66.7	1.178	-51	-46.1
60	1.157	-30	-34.4
50	1.129	-9	-22.8
40	1.102	4	-15.6
30	1.076	15	-9.4
20		23	-5.0
10		28.9	-1.7



Clean Membranes Warranty

Polymem PVDF Ultrafiltration Membrane Modules

1 Definitions

- 1.1 CM: Clean Membranes Inc.
- 1.2 Product: Polymem PVDF Ultrafiltration Membrane Modules
- 1.3 Buyer: Entity or person issuing the purchase order for Product; may or may not be identical to End User
- 1.4 End User: Entity or person operating a system containing Product; may or may not be identical to Buyer
- 1.5 Warranty Start Date: Date of wet start up; wet start up shall begin no later than three (3) months after the delivery of the modules or four (4) months after notification to Buyer that modules are ready to ship, whichever occurs first.

2 Full Warranty

CM warrants that the equipment will be free from defects in materials and workmanship at the time of delivery and that it will conform to CM's specifications if used and maintained in strict accordance with CM's recommendations, as specified in CM's operating manual and good engineering practices. CM provides in its technical documentation the recommended protocols for the operation and the control of the Product.

2.1 Warranty Duration

CM provides a full workmanship warranty for a period of twelve (12) months after first wet start-up of the Product. Wet start up shall begin no later than three (3) months after the delivery of the modules or four (4) months after notification to Buyer that modules are ready to ship, whichever occurs first.

2.2 Implementation of the Warranty

In any case where a Product defect is detected by the Buyer, the Buyer must prove the existence of this defect and notify CM of such defect within 14 calendar days.

- 2.2.1 CM reserves the right to perform integrity tests and additional tests on the Product to check its state of aging compared to that observed under normal conditions of use before confirming the validity of a claim.
- 2.2.2 If CM confirms the validity of the claim made under this warranty, the defective Product will be replaced or repaired free of charge (except for transportation and packing charges) at CM's sole discretion.
- 2.2.3 If CM elects to have the modules repaired, CM, at its sole discretion, will determine the location at which repairs are to be performed.
- 2.2.4 If CM elects to have the modules repaired onsite, repairs made by the Buyer with prior written agreement from CM will be refunded. If CM opts to make the onsite repairs, the Buyer will allow the necessary time and access for such repairs, without penalty.
- 2.2.5 Product authorized by CM for return to a CM facility for repair must be securely packed and shipped freight prepaid.

2.3 Application of Warranty



The following are considered to be valid Product defects under this warranty if confirmed by CM:

- 2.3.1 Module body leakages
- 2.3.2 Head plate fissures
- 2.3.3 Fiber breakage rate greater than 1.0% of the total number of membrane fibers in the module having been repaired during any consecutive twelve (12) month period.

This warranty will only be applicable if all of the operating specifications listed in the technical documentation provided by CM are followed by the Buyer, the End User, and any of their agents.

2.4 Exclusions to Warranty

The following are either specifically excluded from coverage under this warranty or invalidate the warranty:

- 2.4.1 Broken fibers, if the number does not exceed 1.0 % of the total number of membrane fibers in the module having been repaired during any consecutive twelve (12) month period
- 2.4.2 Defects resulting from the storage, handling, or operation of the Product outside of the recommendations in CM's technical documentation
- 2.4.3 The use of the Product for any purpose other than the application for which the Product was sold
- 2.4.4 Defects resulting from repair(s) carried out by the Buyer, the End User, or any of their agents
- 2.4.5 Inaccurate data transmitted by the Buyer or End User
- 2.4.6 Accident(s) which occur after shipment from site of manufacture
- 2.4.7 Any event out of CM's control that results in damage to the Product

3 Pro Rata Warranty

3.1 Pro Rata Warranty Duration

The pro rata warranty period begins immediately upon completion of the full warranty period and continues for 60 months. This mean that the pro rata warranty period begins 12 months after the Warranty Start Date and ends 72 months after the Warranty Start Date.

In any case where a Product defect is detected, the Buyer must prove the existence of this defect and notify CM of such defect within 14 calendar days. The basis for determining the validity of a warranty claim is as stated above under Section 2.

If CM confirms the validity of the claim made under this warranty, the defective Product will be replaced or repaired at CM's sole discretion. A price will be charged to the Buyer for the replacement of modules based upon the number of months elapsed following the Warranty Start Date as shown in the formula below:

$(\# \text{ Months from Warranty Start} - 12) / 60 * \text{price at which modules were sold}$

Transportation and packing charges are not included and are not prorated.

3.2 Implementation of the Warranty

In any case in which Product defect is detected, the Buyer must prove the existence of this defect and notify CM of such defect within 14 calendar days.



- 3.2.1 CM reserves the right to perform integrity tests and additional tests on the Product to check its state of aging compared to that observed under normal conditions of use before confirming the validity of a claim.
- 3.2.2 If CM confirms the validity of the claim made under this warranty, the defective Product will be repaired or replaced on a pro rata basis at CM's sole discretion.
- 3.2.3 If CM elects to have the modules repaired, CM, at its sole discretion, will determine the location at which repairs are to be performed.
- 3.2.4 If CM elects to have the modules repaired onsite, repairs made by the Buyer with prior written agreement from CM will be refunded. If CM opts to make the onsite repairs, the Buyer will allow the necessary time and access for such repairs, without penalty.
- 3.2.5 Product authorized by CM for return to a CM facility for repair must be securely packed and shipped freight prepaid.

3.3 Application of Warranty

The following are considered to be valid Product defects under this warranty if confirmed by CM:

- 3.3.1 Module body leakages
- 3.3.2 Head plate fissures
- 3.3.3 Fiber breakage rate greater than 1.0% of the total number of membrane fibers in the module having been repaired during any consecutive twelve (12) month period.

This warranty will only be applicable if all of the operating specifications listed in the technical documentation provided by CM are followed by the Buyer, the End User, and any of their agents.

3.4 Exclusions to Warranty

The following are either specifically excluded from coverage under this warranty or invalidate the warranty:

- 3.4.1 Broken fibers, if the number does not exceed 1.0 % of the total number of membrane fibers in the module having been repaired during any consecutive twelve (12) month period
- 3.4.2 Defects resulting from the storage, handling, or operation of the Product outside of the recommendations in CM's technical documentation
- 3.4.3 The use of the Product for any purpose other than the application for which the Product was sold
- 3.4.4 Defects resulting from repair(s) carried out by the Buyer, the End User, or any of their agents
- 3.4.5 Inaccurate data transmitted by the Buyer or End User
- 3.4.6 Accident(s) which occur after shipment from site of manufacture
- 3.4.7 Any event out of CM's control that results in damage to the Product

ORDINANCE CERTIFICATE

STATE OF ILLINOIS)
) SS
COUNTY OF SANGAMON)

I, the undersigned, do hereby certify that I am the duly qualified and acting Clerk of the South Sangamon Water Commission.

I do further certify that the ordinance attached hereto is a full, true, and exact copy of Ordinance No. 18-01 adopted by the Commission on the 20th day of February, 2018, said Ordinance being entitled:

**AN ORDINANCE APPROVING AND ACCEPTING A QUOTATION
WITH CLEAN MEMBRANES, INC.**

I do further certify that prior to the making of this certificate, the said Ordinance was spread at length upon the permanent records of said Commission, where it now appears and remains.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said Commission this 20th day of February, 2018.

Laura VanProyen
Clerk