

**REQUEST FOR BIDS**

**LIQUID OXYGEN SUPPLY FOR THE ELK VALE LIFT STATION**  
Water Reclamation Division

CITY OF RAPID CITY  
RAPID CITY, SOUTH DAKOTA

**August 13, 2013**  
**2:00 P.M.**

**SAM KOOIKER**  
**MAYOR**

**COUNCIL MEMBERS**

Bill Clayton  
Steve Laurenti  
Chad Lewis  
Amanda Scott  
Bonny Petersen

Charity Doyle  
Ritchie Nordstrom  
Jerry Wright  
John Roberts  
Bradley H. Estes

**TERRY WOLTERSTORFF**  
**DIRECTOR OF PUBLIC WORKS**

**DAVE VAN CLEAVE**  
**WATER RECLAMATION DIVISION SUPERINTENDENT**

**MICHELLE SCHWEITZER**  
**ELK VALE LIFT STATION UPGRADES PROJECT MANAGER**

**NOTICE FOR BIDS  
FOR PURCHASE OF  
LIQUID OXYGEN SUPPLY FOR THE ELK VALE LIFT STATION  
Water Reclamation Division  
Rapid City, South Dakota**

Notice is hereby given that sealed bids will be received by the Common Council for the City of Rapid City, South Dakota until 2:00 P.M., August 13, 2013, at the Rapid City Finance Office, 300 Sixth Street, Rapid City, South Dakota 57701, and will be publicly opened and read for LIQUID OXYGEN SUPPLY FOR THE ELK VALE LIFT STATION to be used by the Rapid City Water Reclamation Division. All proposals shall be made on the forms furnished by the City.

Specifications may be obtained at the Public Works Administration Office, 300 Sixth Street, Rapid City, South Dakota 57701.

**PAULINE SUMPTION**  
City Finance Officer

**SPECIFICATIONS FOR  
Liquid Oxygen Supply for the Elk Vale Lift Station  
Rapid City, South Dakota**

Bids will be received at the Rapid City Finance Office, 300 Sixth Street, Rapid City, South Dakota, until 2:00 p.m., August 13, 2013, for furnishing LIQUID OXYGEN SUPPLY FOR THE ELK VALE LIFT STATION which shall meet the following specifications:

The City of Rapid City, South Dakota Water Reclamation Division will accept bids for supplying a 3,000 gallon storage tank and approximately 17,280 (100 scf) of Pure Oxygen as a refrigerated liquid, to be delivered as needed. Standard deliveries will be between 7:30 a.m. and 3:00 p.m. Monday through Friday, excluding holidays.

**SCOPE**

It is the intent of these specifications to describe LIQUID OXYGEN SUPPLY FOR THE ELK VALE LIFT STATION in sufficient detail to secure bids on comparable LIQUID OXYGEN SUPPLY FOR THE ELK VALE LIFT STATION. All parts not specifically mentioned, which are necessary in order to provide LIQUID OXYGEN SUPPLY FOR THE ELK VALE LIFT STATION shall be included in the bid and shall conform in strength, quality of material and workmanship to what is usually provided the trade in general.

All bids must be accompanied by literature completely describing the LIQUID OXYGEN SUPPLY FOR THE ELK VALE LIFT STATION to be furnished. Each bidder must be a certified dealer authorized by the manufacturer he represents. Each bid shall contain a dealer and/or factory warranty as a guarantee of the product to be furnished. The guarantee shall be stated in the descriptive literature or by a letter.

**GENERAL CONDITIONS**

1) Bidders Information

Each bid envelope shall contain **ONLY ONE** (1) Bid Proposal and shall be marked with the words "**Sealed Bid – LIQUID OXYGEN SUPPLY FOR THE ELK VALE LIFT STATION**".

Each bid must contain a certified check, cashier's check, or draft for five percent (5%) of the amount of the bid. Such check shall be certified or issued by either a State or National Bank and payable to the City of Rapid City, Rapid City, South Dakota, or in lieu thereof, a bid bond for ten percent (10%) of the amount bid, and such bond to be issued by a surety authorized to do business in this state and payable to the City of Rapid City, Rapid City, South Dakota, as a guarantee of the Bidder entering into a contract for the supplying of LIQUID OXYGEN SUPPLY FOR THE ELK VALE LIFT STATION for the City of Rapid City. After the contract has been signed by the Supplier and the City of Rapid City, the bidder's check or bid bond will be returned to the successful bidder. Checks or bonds of all the unsuccessful bidders will be returned within thirty (30) days after the bids have been opened.

Bids submitted by mail, express courier, or common carrier can be accepted if received in the City Finance Office prior to the time for the scheduled bid opening. Bids submitted by telefax cannot be accepted.

**Each bid envelope shall contain the entire set of specifications and a completed "ARTICLE 25 CONTRACT DOCUMENTS" upon submittal of the bid. Incomplete bids will be rejected.**

To the extent provided by statute, preference will be given to materials, products, and supplies found or produced within the State of South Dakota. (SDCL Chapter 5-19; Residential Preference Statute.)

The City reserves the right to reject all bids. The lowest responsible bid, will be accepted. If the low bid is not responsible or the bid is not made in accordance with the requirements of state law or the low bid is withdrawn after the bid opening, the bid of the next lowest responsible bidder may be accepted; however, to the extent allowed by law the City reserves the right to accept the bid that is to the advantage of and is in the best interest of the City of Rapid City.

Payments will be made once each month or as requested by the Supplier, whichever is longer. Payments will be made BY CHECK within a reasonable time after receipt and approval of the LIQUID OXYGEN SUPPLY FOR THE ELK VALE LIFT STATION, receipt of a City claim, and approval by the Common Council.

The unit price of the bid must be stated on the Bidder's Proposal form, along with the extended price bid. Unit price shall take precedence over extended price. Written figures shall take precedence over numerical figures. Bid price shall be submitted at a cost per 100 scf F.O.B. Elk Vale Lift Station. Bid price shall be effective for seven years from the date of bid award except as allowed under "ARTICLE 14 PRICE CHANGES". Bid award will be based on the total extended price.

The quantities shown in the proposal are approximate for the seven year term. It shall be understood that the City of Rapid City reserves the right to purchase more or less than the specified amounts as it deems expedient.

Bids and quotations shall be for the period starting on or about the date of the first delivery of liquid oxygen and ending approximately seven (7) years later and shall show net delivered prices without State or Federal taxes. The City of Rapid City prefers to receive firm bids from all bidders and will give first consideration to said quotations. The City reserves the right to reject any bid not stating a firm price as not responsive.

## 2) Rejection

If the material does not meet the requirements of these specifications, notice shall be given to the vendor within Ten (10) days after the receipt of the LIQUID OXYGEN SUPPLY FOR THE ELK VALE LIFT STATION. In this event, payment shall be withheld, and the vendor shall remove the product from the City premises and shall replace it with a like amount of acceptable LIQUID OXYGEN SUPPLY FOR THE ELK VALE LIFT STATION.

## 3) Contract Extension

This contract is for seven (7) years. No extensions will be made to this contract. The contract may be terminated early if the Supplier does not meet the expectations described within this document.

DETAILED SPECIFICATIONS FOR  
LIQUID OXYGEN SUPPLY

PART 1 - GENERAL

1.1 Scope

- A. The material to be supplied and delivered to the Owner's designated location is pure oxygen (>99% purity) as a refrigerated liquid (Chemical Abstract Service Number C.A.S. 7782-44-7).
- B. The supplier shall provide and maintain a 3,000-gallon bulk storage tank at the Owner's site located at 3810 Seger Drive in Rapid City. Refer to "Specifications for Bulk Oxygen Storage and Delivery Equipment" included with these specifications.
- C. All methods of transportation and handling of liquid oxygen shall be in accordance with U.S. Department of Transportation for bulk liquid shipments of oxygen as a refrigerated liquid, UN 1073, Class 2.2 (non-flammable gas) with subsidiary risk 5.1 (oxidizer).

1.2 Qualifications

- A. The supplier of this material shall be regularly engaged and established in the supply and delivery of oxygen and similar industrial and/or medical products in gaseous or liquid form.
- B. The supply contractor shall have a physical location and service personnel located in Rapid City, SD, or within a 50-mile radius.
- C. The supply contractor shall be capable of remote monitoring of oxygen storage levels at the Owner's location and responding to delivery needs within 48 hours.

1.3 Submittals

- A. Submit Material and Safety Data Sheet for liquid oxygen.
- B. Submit company data, personnel listings and contact information for administrative, equipment maintenance and emergency response services.
- C. Submit proposed equipment maintenance schedule, delivery schedule, warranty and related contract terms prior material delivery unless stated otherwise within the contract.

PART 2 - PRODUCTS

2.1 Liquid Oxygen.

The product to be delivered is pure oxygen (>99% purity) as a refrigerated liquid.

PART 3 - EXECUTION

### 3.1 Delivery.

- A. Oxygen supply shall be fully operational by September 27, 2013.
- B. The liquid oxygen shall be delivered to the Owner's site via bulk delivery truck.
- C. The volume delivered at any one time may vary, but shall not exceed the safe storage capacity available in the local bulk storage tank. The supplier will not be required to make delivery of less than 75% of the bulk tank capacity.
- D. The supplier shall monitor tank levels by remote telemetry and shall notify the City of Rapid City Water Reclamation Division that stored material replenishment is needed, and the day and time of proposed delivery. Notifications shall be not less than 48 hours in advance. Normal delivery shall be between 7:30 AM and 3:00 PM Monday through Friday. In the event delivery is required outside normal delivery hours, the Supplier shall notify Utility Maintenance personnel and arrange for site access.
- E. A bill of material showing day, time and volume delivered shall be provided to the on-site Owner personnel at each delivery.

### 3.2 Term and Cost of Services and Supply

- A. The term of supply contract shall be 7 years from the date of execution. The Owner will enter into a new agreement on a 7-year cycle based upon a competitive bidding process. The competitive bidding for the supply contract will take place not less than 180 days prior to the end of the 7-year contract period.
- B. The Owner will pay for supply services on the following basis.
  - 1. Equipment Rental. A monthly lump sum rental fee for bulk storage tank, vaporizer, accessories and maintenance of equipment.
  - 2. Product Supply. A unit price per 100 standard cubic feet (scf) of volume of gaseous oxygen supplied to the site. Billing shall be made monthly.
  - 3. Delivery Charge. The delivery charge shall be incidental. No separate payment will be made for equipment delivery, material delivery or hazardous material handling.
  - 4. Payment for supply and delivery charges shall be made not more frequently than once per month. The Owner will make payment for supply and delivery charges within 60 days after receipt of the itemized billing statement. Payment for the monthly equipment rental fee shall be included in the monthly product supply pay request
  - 5. Contract prices shall include all applicable taxes.
- C. Estimated Volume.
  - 1. The volume of oxygen to be used at the site is anticipated to be proportional to the total volume of wastewater treated with oxygen as well as the pumping rate of wastewater from the Elk Vale Lift Station. The volume of oxygen used will thus be variable over time and it is not anticipated that oxygen deliveries to the site will be at a consistent interval.
  - 2. The estimated average rate of oxygen usage is as follows:

### Estimated Oxygen Usage

| By Weight        | Gaseous       | Liquid          |
|------------------|---------------|-----------------|
| 400 lb./day      | 4,800 scf/day | 42 gallons/day  |
| 12,000 lb./month | 144,000       | 1,260 gal./mo.  |
| 144,000 lb./yr.  | 1,728,000     | 15,120 gal./yr. |

\*scf – standard cubic foot of gas measured at 1 atmosphere and 70°F.

\*\*Liquid volume measured at 1 atmosphere and boiling temperature.

3. The contract unit price per 100 cubic feet shall remain constant during the contract period except as allowed in Article 14 of the Contract. No unit price adjustment shall be made for the product supply for quantities more or less than the estimated volume.

\*\*\*\* END OF SECTION \*\*\*\*

DETAILED SPECIFICATIONS FOR  
BULK OXYGEN STORAGE AND DELIVERY EQUIPMENT

PART 1 - GENERAL

1.1 General

- A. Furnish all material, labor, equipment and incidentals required for the installation of oxygen storage and vaporizer equipment, and as necessary for proper and complete performance as hereinafter specified. The system shall include 1 ASME rated 3,000-gallon oxygen storage tank; complete with insulation, dual relief valves, rupture disks, and interconnecting piping; 1 ambient air vaporizer, pressure control manifold, level gauge and level transmitter, oxygen supply piping from the storage pad to the point of connection provided by others.
- B. The Owner will utilize the storage system to supply pure oxygen in vaporized form to wastewater oxygenation equipment which will be furnished and installed by others.
- C. The location of the storage equipment will be the City of Rapid City Elk Vale Wastewater Pumping Station located at Seger Drive and Elk Vale Road (3810 Seger Drive) in Rapid City, SD.
- D. These specifications are intended to give a general description of what is required, including the furnishing, the shop testing, the storage and delivery of all materials, equipment and all appurtenances for the complete system as herein specified, whether specifically mentioned in these Specifications or not.

1.2 Design Criteria

- A. The equipment covered by these Specifications shall be standard units of proven ability as manufactured by reputable concerns having demonstrated experience in the production of such equipment. The equipment furnished shall be designed, constructed, and installed in accordance with the best practice and methods, and shall operate satisfactorily when installed.
- B. All equipment shall be designed and built for 24-hour continuous service at any and all points within the specified range of operation.
- C. Equipment shall meet requirements of NFPA 55.

1.3 System Description

- A. The oxygen storage and vaporizer equipment provided under this Specification shall be used to store liquid oxygen and convert it into a vaporized form. This equipment will be at an exterior location on concrete foundation pad to be furnished by the Owner. The Owner will further provide oxygen piping between the designated point of connection shown on Exhibit A and the wastewater oxygenation system. The Owner will also provide electrical power to the location shown on Exhibit A.



- B. The system shall be designed to supply 1,500 pounds per day of oxygen at a pressure of 150 psi at the point of connection to Owner's system. The storage tank shall be manufactured to withstand a maximum working pressure of 250 psig.

#### 1.4 Qualifications

- A. The equipment covered by these Specifications shall be standard units of proven ability as manufactured by competent organizations having demonstrated experience in the production of such equipment.
- B. All equipment furnished under this Specification shall be new and unused and shall be the standard product of manufacturer showing a successful record of manufacturing and servicing the equipment and systems specified herein for a minimum of 5 years.

#### 1.5 Acceptable Manufacturers

- A. Chart, Inc., Series VS-01.
- B. Or Equal.

#### 1.6 Submittals

- A. All submittals will be required prior to material delivery except as specifically stated in the contract or herein. Drawings, brochures and samples shall be submitted for all items to be furnished, including the following.
  1. Drawings showing complete fabrication and construction details, materials, weights, dimensions, clearances, anchorage locations and requirements, installation requirements, piping and utility requirements, and step-by-step sequence of controls.
  2. Complete master wiring diagrams and elementary or control schematics, including required coordination with other electrical control devices operating in conjunction with the equipment. Standard preprinted sheets or drawings simply marked to indicate applicability to this contract will not be acceptable.
  3. Materials lists and specifications for all items furnished.
  4. Operation and Maintenance Manuals, including oxygen storage vessel, ambient air vaporizer, pressure regulator, valves and appurtenances.
  5. Submit the Manufacturer's certificate of Installation, Testing and Instruction within ten (10) days following installation.

#### 1.7 Product Handling

- A. All parts shall be properly protected so that no damage deterioration will occur during a prolonged delay from the time of shipment until installation is completed and the units and equipment are ready for operation.
- B. All equipment and parts must be properly protected against any damage during a prolonged period at the site.
- C. Factory assembled parts and components shall not be dismantled for shipment unless permission is received in writing from the Owner.

- D. Finished iron or steel surfaces not painted shall be properly protected to prevent rust and corrosion.
- E. Each box or package shall be properly marked to show its net weight in addition to its contents.

## PART 2 - PRODUCTS

### 2.1 Oxygen Storage Tank

- A. The oxygen storage tank shall be designed in accordance with the latest edition of ASME Boiler and Pressure Code Section VIII, Division I. Maximum working pressure rating shall be 250 psig.
- B. The tank materials shall be as follows:
  - Inner Vessel: ..... 9% nickel steel or stainless steel
  - Vacuum Jacket and Leg Supports:        Structural steel
  - Insulation:..... Composite insulation
  - Outer Jacket:..... SA-36 carbon steel
  - Outer Jacket Pads: ..... SA-36 carbon steel and 304 stainless steel
  - Nameplates: ..... ASME Original welding attached to inner vessel  
ASME Duplicate welding attached to outer jacket  
MFR. nameplate welding attached to outer jacket
  - Paint:..... Two-part Hentzen paint system
- C. External tank piping shall be Schedule 5 or 10 stainless steel with Schedule 40 threaded connections.
- D. All valves shall be constructed from brass/bronze or stainless steel. The following valves shall be provided:
  - 1. Fill line check valve;
  - 2. Two fill valves
    - a. One connected to the top of the pressure vessel,
    - b. And the other connected to the bottom of the pressure vessel;
  - 3. Tank blowdown valve;
  - 4. Fill line drain valve;
  - 5. Thermal expansion relief valve; and
  - 6. Trycock valve.
- E. The inner vessel shall be pressure tested in accordance with ASME code. The inner and outer jackets shall be tested using a helium leak test.
- F. All piping, valves and equipment utilized for oxygen service shall be specially cleaned and protected in accordance with ASTM G93, "Standard Practice for Cleaning Methods and Cleanliness Levels for Material and Equipment Used in Oxygen Enriched Environments, Level C", and the Compressed Gas Association Pamphlet G4.1, "Cleaning Equipment for Oxygen Service". Provide documentation that the piping distribution line meets the above criteria.

## 2.2 Ambient Air Vaporizer

- A. The ambient air vaporizer shall be designed per the requirements specified in ANSI B31.3. The vaporizer shall be sized to easily accommodate the flows of 1,500 lb./day.
- B. The vaporizer shall be constructed from aluminum.
- C. The vaporizer shall include a welded base frame and internal and external finned extrusions with 4" spacing. Vaporizer shall be designed to withstand 100-mph winds.

## 2.3 Pressure Regulating Valve

- A. The pressure regulator valve shall be suitable for oxygen service and shall be sized to provide 150 psi at the connection point. The valve shall be cleaned per CGA G-4.1 for oxygen service.
- B. The body shall be constructed from forged brass/bronze and the bonnet shall be nickel-plated aluminum. A nitrile diaphragm with PTFE liner shall be provided. All springs and fasteners shall be constructed from stainless steel – other valve components shall be brass/bronze.

## 2.4 Pressure Sensors

- A. Two pressure switches shall be provided with the oxygen storage tank. One switch shall sense the low-low pressure which would occur if a line broke, and the other will sense low pressure to alert operators when the tank needs to be filled.
- B. Pressure switches shall be NEMA 4X enclosure with epoxy-coated aluminum cover and Type 304 stainless steel connection with Buna-N seal.
- C. A transmitter shall be provided by the Supplier to transmit alarms and tank levels using cell phone methods. All fees associated with data transmission of Supplier equipment and materials shall be borne by the Supplier.

## 2.5 Oxygen Delivery Piping

- A. Copper piping shall be Type K, with 35% Cd-free Silver Solder for copper to 304 stainless steel transition and optional for all other piping; 15% Sil-Fos for non-stainless to copper joints.
- B. Process valves shall be brass/bronze or stainless steel.
- C. All piping, valves and equipment utilized for oxygen service shall be specially cleaned and protected in accordance with ASTM G93, "Standard Practice for Cleaning Methods and Cleanliness Levels for Material and Equipment Used in Oxygen Enriched Environments, Level C", and the Compressed Gas Association Pamphlet G4-1, "Cleaning Equipment for Oxygen Service". Provide documentation that the piping distribution line meets the above criteria.
- D. Maximum allowable working pressure of the pipe shall either be greater than 275 psig; or if not a pressure relief valve, shall be installed set at the maximum allowable working pressure of the lowest rated component in the piping distribution system.

## PART 3 - EXECUTION

### 3.1 Verification of Conditions

- A. Before delivery and installation of the tank and accessories, verify with the Owner that the project is ready for this work.
- B. Verify that the Owner-furnished concrete foundation, power and piping interfaces, and connection points are completed and located per Exhibit A.
- C. Verify that the equipment or material is in conformance with the approved shop drawings and specifications and resolve any deviations.

### 3.2 Installation

- A. All materials and equipment shall be installed in a neat, workmanlike manner.
- B. Installation of the equipment shall be in accordance with written instructions provided by the manufacturer and as approved.
- C. Anchor the equipment in place per manufacturer's instructions. Anchor bolts and hardware shall be stainless steel.
- D. Piping shall be installed and tested at 150% of the working pressure of the system.

### 3.3 Clean Up

- A. Prior to start-up and field testing, all foreign matter shall be removed from the equipment. Spillage of lubricants used in servicing the system shall be cleaned from all equipment and concrete surfaces.

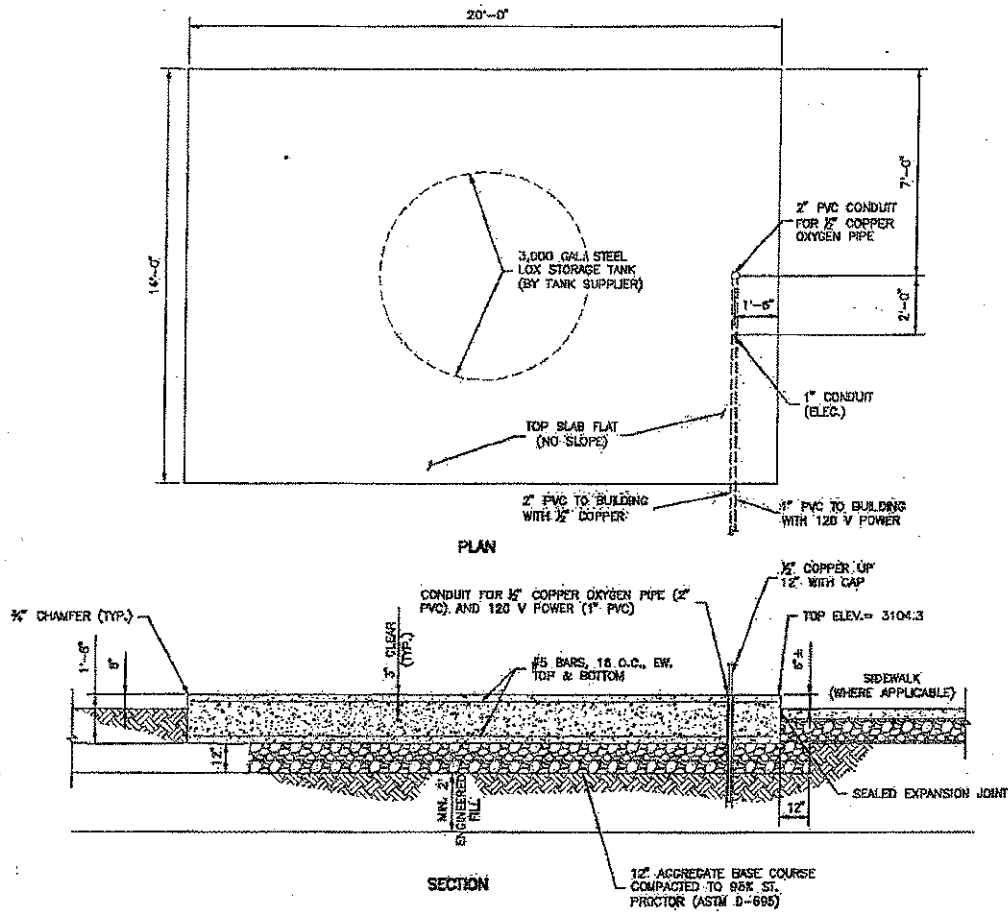
### 3.4 System Start Up

- A. Conduct an Operational Readiness Inspection of the completed liquid supply system.
- B. Pressure test/leak test LOX system field installed piping.
- C. Cool down and first fill the cryogenic storage vessel immediately following the installation of the supply equipment.
- D. Initiate oxygen supply by commissioning the LOX supply system.

### 3.5 Manufacturer's Field Services

- A. Provide necessary manufacturer's field services to install, test and commission the system.
- B. Provide not less than one day dedicated to providing demonstration and training of Owner personnel in system operation and any Owner-required maintenance.
- C. Provide a follow-up inspection and review of system operation within 60 days of initial start-up. This inspection shall be performed in the presence of Owner's operating personnel and coordinated with Owner for date and time of follow-up visit.

Apr 16, 2013 8:26:37 AM  
 Drawing: 1398 DETAIL-FIT SUPPORTS AND PROVISIONS FOR LIFT STATION PLANS  
 \\MAN-DATA\DETCY\PROJECTS & PROVISIONS\1398\1398 DETAIL-FIT STATION PLANS



**LOX TANK FOUNDATION**  
NOT TO SCALE

**NOTES REGARDING OWNER FURNISHED FOUNDATION AND ACCESSORIES**

1. 14'-20" CONCRETE FOUNDATION PAD FOR LIQUID OXYGEN STORAGE TANK BY OWNER. CONDUITS FOR OXYGEN PIPING AND ELECTRIC POWER SHALL BE INCORPORATED INTO THE FOUNDATION, AT LOCATIONS SHOWN.
2. THE OWNER WILL EXTEND 1/2" OXYGEN CLEANED COPPER PIPE FROM THE FOUNDATION INTO THE LIFT STATION BUILDING.
3. THE OWNER WILL PROVIDE 120V ELECTRIC POWER TO THE TANK FOUNDATION AT THE LOCATION SHOWN.
4. THE OXYGEN STORAGE TANK WILL BE FURNISHED AND INSTALLED BY THE TANK SUPPLIER. THE PIPE AND ELECTRICAL CONNECTIONS TO THE OXYGEN STORAGE TANK AT THE TANK LOCATION WILL BE MADE BY THE TANK SUPPLIER.

EXHIBIT A

\*\*\*\* END OF SECTION \*\*\*\*

**BIDDER'S PROPOSAL  
FOR  
LIQUID OXYGEN SUPPLY FOR ODOR CONTROL  
WATER RECLAMATION DIVISION**

NAME OF BIDDER: A & B WELDING SUPPLY CO. INC.  
 ADDRESS: 914 E CHICAGO ST, PO BOX 2053 RAPID CITY, SD 57709  
 PHONE NO.: ( 605 ) 343-5365 FAX NO.: ( 605 ) 343-5366  
 e-mail address: wvanneman@abweld.org

Bidder proposes and agrees to and with the City of Rapid City, South Dakota ("City") to furnish pure oxygen in refrigerated liquid form for wastewater odor control and the Elk Vale Lift Station at the following prices, to wit. Bids are based upon total cost, with a contract term not to exceed seven years.

| BASE BID  |  |                    |                 |                                    |                            |
|---|--|--------------------|-----------------|------------------------------------|----------------------------|
| ITEM NO.  | DESCRIPTION                                    | Estimated Quantity | Unit of Measure | UNIT PRICE (Numerical)             | EXTENDED PRICE (numerical) |
| 1   | 3,000-Gallon Bulk Storage Tank and Accessories | 84                 | Monthly Rental  | \$ 300.00                          | \$25,200.00                |
| 2   | Pure Oxygen                                    | 17,280             | 100 scf         | <del>\$.95/100 cuft</del><br>\$.95 | \$16,416.00                |
| <u>FORTY ONE THOUSAND SIX HUNDRED SIXTEEN AND NO/100</u><br>(TOTAL EXTENDED PRICE IN WORDS) |  |                    |                 |                                    | \$41,616.00                |

This proposal and agreement are based upon the conditions, stipulations, and specifications named in the bidding documents and subject to execution of an agreement meeting all requirements and conditions.

The 3,000-Gallon Bulk Storage Tank and Accessories and shall be delivered F.O.B., Elk Vale Lift Station of the Rapid City Water Reclamation Facilities, Rapid City, South Dakota, 57701, within 70 calendar days (to be filled in by Bidder) after date of awarding contract.

The contract award will be based on the lowest Total Extended Price arrived at in accordance with the Bid Schedule set forth.

The said Bidder further agrees and states that he has read the advertisement calling for bids, has studied the Contract Documents, is familiar with the terms and conditions stipulated therein, agrees to enter into the attached Contract, and acknowledges the receipt of the following Addenda:

| Addenda No. | Dated     |
|-------------|-----------|
| # 1         | 8-9-2013  |
| # 2         | 8-13-2013 |
|             |           |
|             |           |

A & B WELDING SUPPLY CO. INC.  
NAME OF COMPANY - BIDDER

Michael Elliott  
AUTHORIZED SIGNATURE

Michael J Elliott / President  
Print Name & Title

PO BOX 2053 Rapid City, SD 57709  
Address

8-13-2013  
Date

**BIDDER MUST FILL IN ALL SPACES PROVIDED ABOVE**

**CONTRACT  
SUPPLIES AND EQUIPMENT  
BETWEEN  
SUPPLIER AND CITY OF RAPID CITY**

THIS AGREEMENT, made the 13th day of August, 2013, by and between A & B WELDING SUPPLY CO. INC. hereinafter "Supplier," and the City of Rapid City, South Dakota, hereinafter "City," WITNESSETH:

That the Supplier and the City, for the consideration named, agree as follows:

**ARTICLE 1. SCOPE OF WORK**

The Supplier shall furnish all of the materials, labor and perform all of the work as described in the specifications for LIQUID OXYGEN SUPPLY FOR THE ELK VALE LIFT STATION, the Detailed Specifications for BULK OXYGEN STORANG AND DELIVERY EQUIPMENT, and the Detailed Specifications for LIQUID OXYGEN SUPPLY prepared by the Public Works Department, Rapid City, South Dakota, and shall do everything required by this Contract, General Conditions, Special Conditions, and Detailed Specifications, which are hereby made a part of this Contract, including the following Addendã.

| Addendum No. | Dated            |
|--------------|------------------|
| <u># 1</u>   | <u>8-9-2013</u>  |
| <u># 2</u>   | <u>8-13-2013</u> |

**ARTICLE 2. TIMELINESS OF DELIVERIES**

The furnishing or ordering of materials, supplies, and equipment under this Contract shall be commenced as soon as possible within the time stated in the specifications. Failure to meet the terms of the Contract may be deemed a breach of this Contract. Request for contract time adjustments shall be made in writing to the Water Reclamation Division Superintendent. All adjustments to the contract will be issued by the City through the Public Works Department.

**ARTICLE 3. CONSIDERATION**

The City shall pay the Supplier for the performance of the Contract, subject to additions and deductions provided therein, in current funds as follows:

3,000-Gallon Bulk Storage Tank and Accessories Monthly Rental, Dollars  
(\$ 300.00 )

Pure Oxygen Initial Unit Price, Dollars (\$ .95 /100 scf)

Total: \$41,616.00 (Forty One Thousand Six Hundred Sixteen Dollars)



#### **ARTICLE 4. ESTIMATED QUANTITIES**

The Supplier agrees that the quantities of materials as stated in the Bid Proposal are approximate, and that during the contract period, the quantities of material may be increased or decreased from the amount shown on the Bid Proposal. Payments will be made only for actual material delivered to the site.

#### **ARTICLE 5. METHOD OF MEASUREMENT**

Unless specifically stated otherwise in this Contract, no extra measurement or measurements according to local custom of any kind shall be allowed in measuring the work under this Contract, but only the standard cubic foot (scf) or monthly rental rate identified in the Bid Schedule shall be considered. The Supplier will be required at his expense to furnish all

#### **ARTICLE 4. RENTAL/FACILITY FEES**

Seller shall maintain records of cylinder/tank deliveries and returns hereunder, and shall charge the City rental at the rate agreed to in this contract. The items listed in the BASE BID including all fees associated with equipment delivery, oxygen delivery, hazardous material charges, cellular communications for equipment monitoring and oxygen usage, and all other items necessary to meet the requirements of the detailed specifications. The Supplier may provide oxygen cylinders in lieu of the 3,000 gallon bulk storage tank on an interim basis prior to delivery of the tank. The use of cylinders will only be allowed for a period not to exceed sixty (60) days. The rental fee shall remain as stated in the contract.

#### **ARTICLE 5. CYLINDER RETURN**

The City shall return, in good condition, all cylinders, complete with caps and fittings. If the City shall fail to return in good condition, all cylinders, complete with caps and fittings, the Seller shall file a claim with the City requesting reimbursement at the Seller's then current pricing for lost or damages items. The City shall not permit cylinder or other storage containers furnished hereunder to be filled with any product not furnished by Seller or Seller's authorized representative.

#### **ARTICLE 6. SITE REQUIREMENTS**

The City shall promptly furnish an accessible, secure location ("Site") for Seller's Equipment at each of its facilities at which Products are required to enable suitable delivery and storage of such Products; including all foundations, lighting, fences, pipes and other preparation and equipment required for the safe distribution of Product(s) from the Site. The City shall also provide at the Site, at the City's cost, all electricity or other utilities (excluding telephone or cellular phone), as well as all licenses and permits required in connection with use of the Site.

## **ARTICLE 7. INSTALLATION**

Equipment provided by Seller shall be installed and maintained in good repair and operation by Seller, and billed to the City at the rate specified in this contract. The City shall have no ownership interest in the Equipment installed at the Site by the Seller and shall keep same free of any and all liens or claims of any kind. The Seller shall include in the contract tank rental price any standard freight charges for the Equipment as well as any rigging costs associated with the Equipment installation. The Seller shall be responsible and liable for payment of all costs arising out of site conditions requiring additional labor or other costs incurred by the Seller in any such installation or other construction work hereunder.

## **ARTICLE 8. ACCESS**

Authorized representatives of the City, Seller and/or Seller's representative shall have access at all times to the Site. The City shall not alter, adjust or repair any Equipment installed by Seller at Site. The City shall be responsible for any loss of, damage to such Equipment unless arising as a direct result of Seller's sole negligence. Seller shall not be liable for any delay in installation of such Equipment that results from any cause beyond its reasonable control.

## **ARTICLE 9. EQUIPMENT CHANGE**

If in the sole judgment of Seller any Equipment installed by Seller shall become inadequate, including without limitation, because of a substantial change in the City's requirement of Product, Seller shall have the right, at its own expense, to substitute a different size or type of Equipment and the Rental Fee shall remain as stated in the contract. Seller shall have the right to remove such Equipment installed by it within thirty (30) days after the expiration or termination of this Agreement. The City's obligation with respect to loss of, or damage to Equipment shall remain in full force and effect until Seller effects such removal. This Agreement will cover all mode changes, including but not limited to: cylinders to liquid containers, liquid containers to bulk storage vessels, bulk storage vessels to on-site generation, or any combination of the preceding.

## **ARTICLE 10. DELIVERIES**

(a) The Sites shall be accessible for deliver twenty-four (24) hours per day; (b) The Seller or its representative shall usually make all deliveries of Product(s) and Other Items of Sale on regular business days between the hours of 7:30 a.m. and 3:00 p.m. Product may be delivered at other hours, upon agreement of the parties. In the event the City requests Seller to deliver at other hours, Seller shall employ its best efforts, but shall not be obligated to do so. No additional payment will be made as a result of such special delivery. (c) Deliveries made during a strike or other labor disturbance affecting the City shall be at the City's sole risk. With respect to bulk Product sold hereunder, Seller may, at its sole option, but not obligated to make any delivery of less than seventy-five percent (75%) of the bulk tank capacity. (d) All delivery fees are included in the unit prices listed under the BASE BID. No separate payments for delivery fees will be made.

#### **ARTICLE 11. WARRANTY**

All Products, Other Items of Sale, cylinders and other containers furnished hereunder shall conform to the description thereof published by the manufacturer at the time of sale. THERE IS NO WARRANTY OF MERCHANTABILITY OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED THAT EXTENDS BEYOND SAID DESCRIPTION.

#### **ARTICLE 12. FORCE MAJEURE**

Service and deliveries by the Seller are subject to and contingent upon absence of floods, strike or other labor disturbances, fire, accidents, war, delays of carriers, inability to obtain raw materials, failures of normal sources of supply, restraints of government, (whether or not it later proves to be invalid), or any other similar or dissimilar cause beyond the Seller's reasonable control. Seller shall advise the City in writing of the reason for and anticipated length of any such delay. If any such cause affects only a part of the Seller's capacity to perform, Seller will allocated production and deliveries among its customers in a fair and reasonable manner.

#### **ARTICLE 13. TAXES**

The City claims exemption from taxes; a tax exemption certificate, which will be acceptable to the appropriate taxing authorities, shall be provided upon request.

#### **ARTICLE 14. PRICE CHANGES**

A price adjustment for Pure Oxygen may be requested annually, at the option of Supplier, beginning with the first pay request of 2015. Supplier will be required to submit justification showing Supplier's actual costs for review by the City on or before November 30 preceding the first pay request of the year for which the increase is sought. Based upon the justification provided, the City may grant its approval for a price adjustment, and such approval shall not be unreasonably withheld. Annual price adjustment, when approved, shall not exceed a 3% increase over the prior year's price. Price adjustments will be effective on the first billing cycle of the year following the request if approved by the City.

#### **ARTICLE 15. VENUE**

The parties agree that the terms of this agreement shall be governed by the laws of the State of South Dakota. In the event of any conflict of laws, the law of the State of South Dakota shall be controlling. Any legal action arising out of or relating to this agreement shall be brought only in the Circuit Court of South Dakota, Seventh Judicial Circuit, located in Rapid City, Pennington County, South Dakota.

## **ARTICLE 16. ACCEPTANCE**

Upon delivery of any items under this Contract, the Water Reclamation Superintendent, shall satisfy himself by examination that the furnishing of supplies and equipment has been finally and fully completed in accordance with the Specifications and Contract, and shall make up the appropriate purchase order. The Supplier must complete and return a proper City voucher and payment will be made on said voucher as soon as possible after approval by the Common Council.

## **ARTICLE 17. CONTRACT EXECUTION**

The Seller agrees that he shall execute the contract in accordance with the proposal as accepted and secure and furnish the required insurance within ten (10) calendar days from the date of mailing of said notice of bid award to him at his address as given on the proposal or within such additional time as may be allowed by the Water Reclamation Supervisor; and that, upon his failure or refusal to do so within said time, the certified or cashier's check or bidder's bond accompanying this bid and the money payable thereon shall be forfeited to and become the property of the City of Rapid City as liquidated damages for such failure or refusal.

## **ARTICLE 18. INDEMNITY**

The Seller shall indemnify and save harmless the Owner from and against all losses and all claims, demands, payments, suits, actions, recoveries, and judgments of every nature and description brought or recovered against him, by reason of any act or omission of the said Seller, his agents or employees, in the execution of the work or in the guarding of it and this shall include acts or omissions of subcontractors.

The Seller shall, and is hereby authorized to, maintain any part for such insurance, issued in the name of the Owner, as will protect the Owner from his contingent liability under this Contract, and the Owners right to enforce against the Seller any provision of this Article shall be contingent upon the full compliance by the Owner with the terms of applicable insurance policy or policies, a copy of which shall be deposited with the Owner.

## **ARTICLE 19. INSURANCE**

The Seller shall secure policies of insurance in amounts, form and companies satisfactory to the Owner, and as specified in Attachment 1 of the Contract.

## **ARTICLE 20. CONTRACTOR LIABILITY INSURANCE**

The Seller shall maintain insurance as will protect him from claims under Workmen's compensation acts and from any other claims for damages for personal injury, including death, which may arise from or by any subcontractor or anyone directly or indirectly employed by either of them.

## **ARTICLE 21. LAWS AND ORDINANCE**

The Seller shall keep himself full informed of all existing and current regulation of the Owner, and County, State, and National Laws which in any way limit or control the actions or operations of those engaged upon the work, or affecting the materials supplied by them. He shall at all times observe and comply with, all ordinances, laws, rules and regulations and shall protect and indemnify the Owner and the Owner's officers and agents against any claims or liability arising from or based on any violation of the same. The Seller shall give all notices and comply with all laws, ordinances, rules, and regulations bearing on the conduct of the work as drawn and specified. If the Seller observes that the Drawings and Specifications are at variance therewith, he shall promptly notify the Water Reclamation Superintendent in writing and any necessary changes shall be adjusted as provided in the Contract for changes in the work. If the Seller performs any work knowing it to be contrary to such laws, ordinances, rules, and regulations and without such notice to the Water Reclamation Superintendent, he shall bear all costs arising therefrom. Such performance shall constitute a waiver of any and all claims associated with the work.

## **ARTICLE 22. CLAIMS AND DAMAGES**

Any claim for damage arising under this contract shall be made in writing to the party liable within ten (10) calendar days of the first observance of such damage, except as expressly stipulated otherwise, and shall be adjusted by agreement. Failure to comply with the notice requirement will result in denial of the claim.

The Seller shall document his claim(s) in the following manner;

- A. Provide an introduction and summary.
- B. Provide a listing and explanation of information available in the bidding documents and/or through reasonable site investigation.
- C. Provide a report of the Seller's site investigation.
- D. Explain the conditions actually encountered.
- E. Discuss the difference between actually encountered and anticipated conditions with emphasis on the impact of such things as interference, disruption, changes in construction methods, and additional direct labor and equipment requirements.
- F. Summarize the applicable laws and/or contract clauses.
- G. Set forth the time extension claim with rational, detailed calculations.
- H. Set forth the cost claim broken down to the smallest elements possible.

**ARTICLE 23. SUSPENSION AND ANNULMENT OF CONTRACT**

If the equipment, material, or work to be furnished under this contract shall be abandoned by the Supplier, or if this Contract shall be assigned or the work sublet by him, or if at any time the Water Reclamation Superintendent shall be of the opinion, and shall so certify in writing to the Owner, the performance of this Contract is unnecessarily delayed, or that the Supplier is willfully violating any of the conditions or covenants of this Contract or of the specifications, or is executing the same in bad faith or not in accordance with the terms of said Contract, or if the work be not fully completed within the time named in this Contract for its completion, or within the time to which the completion of this Contract may be extended, the Owner may notify the Supplier to discontinue all work, or any part thereof, then the Owner is hereby empowered to suspend or annul this Contract.

If this Contract be so annulled or suspended, the Supplier shall not be entitled to anything on account thereby, nor shall such annulment or suspension in any way affect the right of the owner to damages claimed by it on account of the failure of the Supplier, but such annulment must be ratified by the Owner before being of any force of effect. In the case of annulment of this Contract before completion from any cause whatever, the Supplier, if notified to do so by the Owner, shall promptly remove any part of all of this equipment and supplies from the property of the Owner, failing which, the Owner shall have the right to remove such equipment and supplies at the expense of the Supplier.

**ARTICLE 24. THE SUPPLIER'S RIGHT TO STOP WORK OR TERMINATE THE CONTRACT**

If the work should be stopped under an order of any court, or other public authority, for a period of three months, through no act or fault of the Supplier, or of anyone employed by him, then the Supplier may, upon seven (7) days' notice in writing to the Owner and the Water Reclamation Superintendent, stop work or terminate this Contract and recover from the Owner payment for all work executed and partially executed and reasonable profit.

**ARTICLE 25. THE CONTRACT DOCUMENTS**

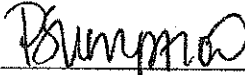
The Notice for Bids, General Conditions, Special Conditions, Addendum, Specifications, and the Bidder's Proposal together with this Agreement, form the Contract, and all are as fully a part of the Contract as if herein setforth at length.

The Supplier further agrees and states that he has read the advertisement calling for bids and has studied the detailed specifications and that he is familiar with the terms and conditions stipulated therein.

IN WITNESS WHEREOF: The City of Rapid, South Dakota, its Council having duly approved this Contract, has caused this Contract to be executed in its behalf by its Mayor, hereunto duly authorized, attested thereto by its Finance Officer, and has hereto attached its corporate seal this 26 day of August, 2013.

If you have any concerns regarding the provision of services or employment on the basis of disability/handicap you may contact our ADA/Section 504 coordinator, ADA Coordinator, Mayor's Office, 300 6<sup>th</sup> Street, Rapid City, South Dakota 57701 605-394-4110.

ATTEST:



Pauline Sumption  
City Finance Officer

(SEAL)

THE CITY OF RAPID CITY, SOUTH DAKOTA

by   
SAM KOOIKER, MAYOR

Date 8-26-13

A & B WELDING SUPPLY CO. INC.

NAME OF COMPANY

by   
AUTHORIZED SIGNATURE

Michael J Elliott/President 08/13/2013  
Print Name & Title Date

PO BOX 2053, RAPID CITY, SD 57709  
Address

