

AGREEMENT FOR PURCHASE AND SALE OF GOODS

Bid/Proposal No. 069-12

Contract No. 12-00071

Project Name Purchase of Ortho-Polyphosphate

THIS AGREEMENT FOR PURCHASE AND SALE OF GOODS (the "Agreement") is made this 14th day of November, 2012, by and between **Shannon Chemical Corporation**, whose address is **P.O. Box 376, Malvern, PA, 19355** ("Seller") and **THE CITY OF NAPLES**, a Florida municipal corporation, the address of which is 735 Eighth Street South, Naples, Florida 34102 ("Buyer"). In consideration of the mutual covenants and agreements hereinafter set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, Buyer and Seller agree as follows:

1. **Description of Goods; Sale and Delivery.** Seller shall sell, transfer, and deliver to Buyer the goods described on the Description/Proposal attached hereto and made a part of as **EXHIBIT A** subject to such terms as are set forth in the Description/Proposal and in this Agreement.
2. **Acceptance; Purchase.** Buyer shall accept the goods and pay the total sum of **\$107,880.00** for the goods in accordance with the terms of this Agreement. **EXHIBIT B**
3. **Identification of Goods.** Identification of the goods shall not be deemed to have been made until both Buyer and Seller have agreed that the goods in question are to be appropriate to the performance of this Agreement.
4. **Rate and Time of Payment.** Unless otherwise specified, Buyer shall make payment to Seller for the goods within 30 days after the goods are received by Buyer.
5. **Receipt of Goods.** The goods shall be deemed received by Buyer when delivered to Buyer at City of Naples, Water Treatment Plant, 1000 Fleischmann Blvd., Naples, Florida 34102. Delivery of the goods to Buyer shall occur on a business day and shall not occur after 3:15 p.m. on the delivery day.
6. **Risk of Loss.** The risk of loss from any casualty to the goods, regardless of the cause, shall be on Seller up to the time of receipt of the goods by Buyer at the place of delivery, but only after any proper inspection has been completed without rejection of the goods. Thereafter, such risk shall be on Buyer, including any goods thereafter returned to Seller until their receipt by Seller.
7. **Warranty Against Encumbrances.** Seller warrants that the goods are now free, and at the time of delivery shall be free, from any security interest or other lien or encumbrance.
8. **Warranty of Title.** Seller warrants that at the time of signing this Agreement, Seller neither knows, nor has reason to know, of the existence of any outstanding title or claim of title hostile to the rights of Seller in the goods.
9. **Product Warranty.** Seller provides general warranties of fitness and general warranties that the goods are free from defects, for 1 year from acceptance of the goods, except as may otherwise be set forth in the Description/Proposal, or other attached warranty.

10. **Right of Inspection.** Buyer shall have the right to inspect the goods at the time and place of delivery, and within 5 business days after delivery, Buyer must give notice to Seller of any claim for damages on account of the condition, quality, or grade of the goods, and Buyer must specify in detail the basis of such claim. The failure of Buyer to comply with these conditions shall constitute irrevocable acceptance of the goods by Buyer.

11. **Procedure as to Rejected Goods.** On receipt of notification of rejection, Seller will immediately arrange to receive back the goods for shipment and return. However, within 5 days, Seller may have an agent inspect such goods for nonconformity; otherwise, such inspection will be made on return to Seller's storage facility. When such goods are confirmed or acquiesced in as nonconforming, Seller will ship conforming goods within 30 days of the notice of rejection unless Buyer earlier notifies Seller to forgo such shipment.

12. **Governing Law.** The parties acknowledge that the transaction that is the subject matter of this Agreement bears a reasonable relation to the State of Florida and agree that the law of the State of Florida will govern their rights and duties. The parties specifically intend that the provisions of Article 2 of the Florida Uniform Commercial Code will control as to all aspects of this Agreement and its interpretation, and that all the definitions contained therein will be applicable to this Agreement except where this Agreement may expressly provide otherwise.

13. **Bid Documents.** The terms and conditions of the Invitation to Bid attached hereto and made a part hereof shall be incorporated herein as a part of this Agreement.

14. **Notices and Address of Record.** All notices required or made pursuant to this Agreement to be given by Seller to Buyer shall be in writing and shall be delivered by overnight courier, by hand or by United States Postal Service Department, first class mail service, postage prepaid, return receipt requested, addressed to the following:

To Buyer:

City of Naples
735 Eighth Street South
Naples, Florida 34102-3796
Attention: A. William Moss, City Manager

All notices required or made pursuant to this Agreement to be given by Buyer to Seller shall be made in writing and shall be delivered by overnight courier, by hand or by the United States Postal Service Department, first class mail service, postage prepaid, return receipt requested, addressed to the following:

To Seller:
Shannon Chemical Corporation
P.O. Box 376
Malvern, PA, 19355
Attention: **Daniel Flynn**, Vice-President, Operations

Either party may change its address of record by written notice to the other party given in accordance with requirements of this Article.

15. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon and all of which shall together constitute one and the same instrument.


16. **Effective Date.** This one-year Agreement shall commence 11/14/2012 through 11/14/2013 with the City's option for two (2) additional one (1) year renewals.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day first written above.

ATTEST:

SELLER:
Shannon Chemical Corporation

(Corporate Seal)



(Print Name: Ann M. Arvell)

By: 

Authorized Representative

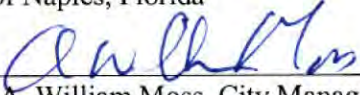
ATTEST:

BUYER

City of Naples, Florida

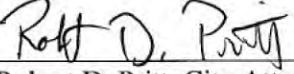
By: 

Patricia L. Rambosk, City Clerk

By: 

A. William Moss, City Manager

Approved as to form and legal sufficiency:

By: 

Robert D. Pritt, City Attorney

Agreement for Purchase and Sale of Goods
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EXHIBIT A

SPECIAL CONDITIONS

1. STANDARD

All chemicals shall meet the AWWA standard and be certified as suitable for contact with or treatment of drinking water by an accredited certification organization in accordance with ANSI/NSF Standard 60, Drinking Water Treatment Chemicals - Health Effects or UL approved where appropriate.

2. PRICES

The cost shall be inclusive of any freight, transportation, handling, delivery, surcharges, or any other incidental charges. The contract shall be exclusive of any Federal or State taxes, as the City of Naples is exempt from payment of such taxes, unless otherwise stated in these documents.

3. QUANTITIES

The CITY reserves the right to order such quantities as may be required during said period, but does not guarantee any minimum or maximum to be ordered during the period specified.

4. ASSIGNMENT; SALE & SUBLEASE

Should the contractor sell or sublet this contract or any part thereof to any person or entity other than the awardee, the Public Works Department shall be notified in writing immediately upon the transfer of ownership. The assignment of this contract or any part thereof, shall require that its assignee be bound to it and to assume toward the contractor, all of the obligations and responsibilities that contractor has assumed toward the CITY. In the CITY's best interest, and at its option, the service/commodity may be re-bid, delivering a sixty (60) day written notice to the new owner(s).

5. MATERIAL SAFETY DATA SHEETS (M.S.D.S.)

M.S.D.S. sheets shall be provided for each chemical for both of the CITY's Plants, as required by Federal law.

SECTION 1 - ORTHOPHOSPHATE/POLYPHOSPHATE

1.1 DESCRIPTION

A white, dry, granular, free-flowing powder blend of orthophosphate and polyphosphate, specifically selected to optimize controlling corrosion and scale in municipal potable water distribution systems. Only products that can be applied without modifications to current equipment will be acceptable. Product must have NSF approval for potable water and verification must be submitted with the bid.

1.2 PHYSICAL PROPERTIES

- 5.2.1 ph: 5.8-6.0.
- 5.2.2 Monosodium Orthophosphate (MSP) content 75%
- 5.2.3 Sodium Hexametaphosphate (SHMP) content 25%
- 5.2.4 Bulk density: 82 pounds per cubic foot
- 5.2.5 No phosphoric acid products in blending
- 5.2.6 No fillers of any kind
- 5.2.7 The material will have sufficient free flowing characteristics to prevent bridging and clogging in the storage hopper at the water plant. If the material is found to bridge or clog excessively in storage hopper, this will be sufficient cause to cancel the contract and award the contract to the next lowest vendor.

1.3 PACKAGING

Orthophosphate/polyphosphate must be shipped in a sealed, multi-walled, lined, paper bag, which contains a minimum of 50 lbs. of product

1.4 AMOUNT

Estimated maximum amount: 62,000 Pounds (Annually)

1.5 DELIVERY LOCATION

The Orthophosphate shall be delivered to:

City of Naples Water Treatment Plant
1000 Fleischmann Blvd.
Naples, Florida 34102

Bidder will supply the City with a Certificate of Analysis with every shipment.

1.6 DELIVERY TIME

Shipments will be FOB Destination, and received between the hours of 7:00 AM and 5:00 PM, Monday through Saturday, within eight (8) working days after verbal receipt of the order from City of Naples Utilities. Bidder must have a truck that can safely unload and load Orthophosphate to and from a loading dock.

1.7 CONTRACTOR

The CONTRACTOR shall specifically delineate the ingredients and provide the percentage of raw materials as both product and as percentage available PO₄ within one week of notification. Verification with NSF shall be required upon request.

The CONTRACTOR shall provide one (1) fifty (50) pound bag of product for inspection within one week of notification.

The CONTRACTOR shall supply (3) three corrosion coupon racks immediately upon receipt of Purchase order. The vendor shall provide the proper coupons and all testing. The product must maintain corrosion limits between the following mils per year (MPY).

MPY Ranges: (three month test intervals)

Ductile iron	< 1 to 3.0 = (very good) AWWA standard
Cast iron	< 1 to 3.0 = (very good) AWWA standard
Copper	<.10 to 0.15 = (very good) AWWA standard
Brass	<.10 to 0.15 = (very good) AWWA standard

These ratings are based upon AWWA Standards- Corrosion Rate Guidelines.

If the coupon results fall outside of the acceptable ranges, the supplier will be required to determine, through testing, an alternate phosphate product to meet the set MPY ranges for acceptability and replace the phosphate with the alternate phosphate, including stock, at no additional cost to the CITY.

1.8 SAFETY

The CONTRACTOR shall be responsible for the safe and clean delivery of product into storage area. All deliveries must be supervised by the driver at all times. CONTRACTOR will also be responsible for the prompt clean up of any spills.

The supplier shall be required to provide, at no additional cost to the CITY (1) one – 1 hour Safety session at the delivery location, each year.

1.9 EMERGENCY ASSISTANCE

The CONTRACTOR shall agree to have the services of a field representative available for on-site performance evaluation and consultation, when requested. The bidder shall also provide the CITY with business and home phone numbers of company personnel who will be available for emergency situations.

EXHIBIT B

BASIS OF COMPENSATION

As consideration for providing the Services as set forth in the Agreement, the CITY agrees to pay, and the CONTRACTOR agrees to accept payment on a time and reimbursement cost basis as:

**BID SCHEDULE
(SHIPPING CHARGES MUST BE INCLUDED IN ALL BID PRICES)**

CHEMICAL	BRAND	EST. ANNUAL USAGE	UNIT COST	TOTAL
1. Orthophosphate/ polyphosphate	SNC-5275	62,000 lbs.	\$1.74 /LB	\$107,880.00
2. Sodium Fluorosilicate		60,000 lbs.	no bid /LB	

Prompt Payment Terms: 0 % 30 days

Delivery will be made 8 days ARO.