

**CITY OF HOLLYWOOD
INTEROFFICE MEMORANDUM**

TO: Mayor and Commissioners **DATE:** March 7, 2019
FROM: Douglas R. Gonzales, City Attorney
SUBJECT: Proposed Purchase Order with Heil Engineered Process Equipment, Inc.

I have discussed the above Agreement with the participating Department/Office, and the proposed general business terms and other significant provisions are as follows:

- 1) Department/Division involved – Public Utilities
 - 2) Type of Agreement – Purchase Order
 - 3) Method of Procurement (RFP, bid, etc.) – Section 38.40(C)(3) of the City’s Purchasing Ordinance provides that, sole-source supplies and services, such as unique, patented, or franchised supplies or services, are exempt if the Director determines, after conducting a good faith review of available sources, that the particular supply or service is available from only one source.
 - 4) Term of Contract
 - a) initial – One time purchase
 - b) renewals (if any) – n/a
 - c) who exercises option to renew – n/a
 - 5) Contract Amount – \$102,875.00
 - 6) Termination Rights – City, acting through its City Manager or his/her designee, reserves the right to terminate the order in whole or in part for default (a) if Contractor fails to perform in accordance with any of the requirements of the order or (b) If Contractor becomes insolvent or suspends any of its operations or if any petition is filed or proceeding commenced by or against Contractor under any State or Federal Law relating to bankruptcy, reorganization, receivership or assignment for the benefit of creditors. Any such termination will be without liability to City except for completed items delivered and accepted by the City. Contractor, will be liable for excess costs of reprourement.
 - 7) Indemnity/Insurance Requirements – The City agrees to indemnify, hold harmless and defend Heil, its officers, employees and agents from and against any and all claims, damages, liabilities, judgments or causes of action, including costs, expense and attorney fees, incurred as a result of any error, omission or negligent act caused solely by Heil, its officers, employees, agents, subcontractors or assignees arising out of the Purchase Order.
 - 8) Scope of Services – Contractor to provide a Fan Model HCB-42
 - 9) Other Significant Provisions – Payment Terms: 25% Due with Order
25% Due with Drawing approval – Net 30 Days
40% Due Prior to Shipment – Net 30 Days
10% Due with Shipment - Net 30 Days
- cc: Dr. Wazir Ishmael, City Manager