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Southern Regional WWTP
City of Hollywood, Florida
1621 North 14th St.
Hollywood, FL 33022

August 18, 2020

Attention: Mr. Coy Mathis – Public Utilities Manager

Subject: Extended Maintenance Plan for Lime Stabilization Equipment
Schwing BioSet, Inc. Quote No. 2019385 rev-H

Dear Mr. Mathis,

Schwing BioSet, Inc. is pleased to propose the following as our scope of supply.

MAINTENANCE PLAN

In reference to our conversation, Schwing BioSet, Inc. is interested in providing a five-year service contract for preventative maintenance of the SBI transfer pump and BioSet equipment located at the following plant location:

Southern Regional WWTP
City of Hollywood, Florida
1621 North 14th St.
Hollywood, FL 33022

In an effort to help reduce labor by the personnel and yet still ensure proper maintenance of the Schwing BioSet, Inc. equipment being proposed at the above referenced project site, Schwing BioSet, Inc. is proposing to supply the following: Schwing BioSet, Inc. proposes to dispatch a trained service technician to the job site for sixty (60) **monthly** trips, for **five (5) days per trip** including travel to the Southern Regional WWTP, over the course of **five calendar years** to perform the preventative maintenance on the Schwing BioSet, Inc. equipment. Included in the preventative maintenance is the following:

- A. Observe the conditions, operations and performance of the Schwing BioSet, Inc. equipment. Operating and safety controls shall be inspected and adjusted as required.
- B. Review and record all operating conditions such as temperatures, pressures, voltages, amperes, etc., which are pertinent to the evaluation of the equipment performance on all units.
- C. Review and perform lubrication on all moving/wearing parts of Schwing BioSet, Inc. equipment.
- D. Test the hydraulic systems and make any necessary leak repairs on the Schwing equipment.
- E. Verify the lubricant levels in the hydraulic reservoir and gear cases, add oil as necessary from customer supplied oil stocks. SBI suggests stocking recommended lubricants for normal equipment top-off and will coordinate required lubricants for regularly scheduled oil changes in hydraulic and gear units as a monthly maintenance item.
- F. Examine the electrical controls and verify normal operation of all contactors and relays and tighten all electrical connections.
- G. Provide written reports to the Owner of the condition of the system and any recommendations and price quotations for necessary repairs or replacement of parts.
- H. Provide training for the personnel responsible for the system operation and familiarize them with normal operation.

Additionally, five days of onsite repair work per year will be scheduled as needed, with normal scheduling (2 week notice, expediting available in emergency situations when available), for any identified deficiencies noted during normal maintenance visits.

During the course of this five-year service agreement, there is also a blanket order for \$350,000.00 for Parts/Service/Freight. If within five years, the blanket order of \$350,000.00 is not reached in purchase orders, a credit for the remaining value will be issued

to the South Regional WWTP account. Likewise, if within each year of the five-years, the annual portion of \$70,000 is not reached in purchase orders, a credit for the remaining value will be issued to the South Regional WWTP account. If the blanket order is exceeded within the annual value during the five years, additional orders for parts and service will be accepted at additional charge, as normal purchase orders.

The total cost for Schwing Bioset, Inc. to perform the above listed preventative maintenance, including parts, shall be **\$891,532**.

In the event that additions, alterations, repairs or adjustments are required to be made to the system, as determined by the above listed maintenance service, Schwing shall quote material and labor costs to complete the additional items.

After the five years agreement has elapsed, an option for two (2) additional five-year service and parts agreement extensions are available based on mutual agreement with 3% annual increases. If there are major pricing changes to the service contract prior to the renewal, SBI will notify City of Hollywood in writing 90 days prior with the new pricing and the City of Hollywood has the right to accept or decline.

MAINTENANCE PLAN SUMMARY

| | | |
|---------------------------|--------------|-------------------|
| Maintenance Plan -Service | One (1) lot | \$ 541,532 |
| Maintenance Plan -Parts | One (1) lot | \$ 350,000 |
| | Total | \$ 891,532 |

All prices are quoted:
EXW Incoterms® 2010
Price is valid for 90 days
Price is in US dollars

MAINTENANCE PLAN PAYMENT TERMS:

The fee for parts and services described in this scope shall be invoiced annually upon completion of installation, net 30 days as shown below. If there are changes in scope or protracted delays resulting from reasons beyond our control, SBI will expect to negotiate an equitable adjustment in our compensation.

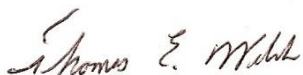
**** Schwing Bioset does accept the Hollywood Terms and Conditions.**

Maintenance Plan Invoice Schedule:

| | Service | Parts |
|----------------------------------|-------------------|-------------------|
| Upon completion of installation: | \$ 102,000 | \$ 70,000 |
| After One (1) year operation: | \$ 105,060 | \$ 70,000 |
| After Two (2) years operation: | \$ 108,212 | \$ 70,000 |
| After Three (3) years operation: | \$ 111,458 | \$ 70,000 |
| After Four (4) years operation: | \$ 114,802 | \$ 70,000 |
| Total: | \$ 541,532 | \$ 350,000 |

If you have any questions, please don't hesitate to contact me by phone (239-216-1776) or E-mail (twelch@schwingbioset.com).

Yours very truly,
Schwing Bioset, Inc.



Tom Welch
Southeast Regional Sales Manager