

## PROCUREMENT CONTRACT

This Procurement Contract (“**Contract**”) is by and between the Grand Rapids Public Utilities Commission, located at 500 SE 4th St, Grand Rapids, MN 55744 (“**GRPUC**”), and Electric Pump Inc, located at 201 4<sup>th</sup> Ave S.W., New Prague, MN 56071 (“**Contractor**”). GRPUC and Contractor may be referred to jointly as the “**Parties**” or individually as a “**Party.**”

### Recitals

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A. GRPUC has solicited and received quotations from contractors to rebuild spare domestic pump (“**Solicitation**”);

B. Contractor provided a response to the Solicitation indicating its interest in and ability to provide the goods or services requested in the Solicitation; and

C. Subsequent to an evaluation in accordance with the terms of the Solicitation and negotiation, the Parties desire to enter into a contract.

Accordingly, the Parties agree as follows:

### Contract

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1. **Term.** The effective date of this Contract is August 27<sup>th</sup> 2024. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by GRPUC’s Authorized Representative to begin the work. This Contract will terminate upon the first of the following to occur:

1.1 Contract expires December 31<sup>st</sup> 2024.

1.2 All of Contractor’s obligations have been satisfactorily fulfilled.

1.3 GRPUC may cancel this Contract at any time, with or without cause, upon ten (10) days’ written notice to the Contractor.

1.4 GRPUC may terminate this Contract immediately in the event of a breach by Contractor.

1.5 The Parties may terminate this Contract at any time by mutual written agreement.

Upon receipt of any notice of termination Contractor shall immediately stop performance to the extent specified in such notice. In no event shall GRPUC be liable for any loss of revenue or profit incurred by Contractor as a result of any termination. Upon termination of this Contract, or earlier upon GRPUC’s request, Contractor shall deliver to GRPUC all items requested by GRPUC containing any confidential information or work product information or make such other disposition thereof as GRPUC may direct in writing.

3.1.2 Plus a not to exceed price of Five Hundred dollars for shipping (\$500.00).

3.1.3 Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Twenty-Five Thousand Four Hundred Ten Dollars (\$25,410.00).

### 3.2 Payment.

3.2.1 Invoices. GRPUC will pay the Contractor within thirty (30) days following receipt of an undisputed invoice that complies with **Exhibit C**. GRPUC may pay the Contractor in advance in its sole discretion. Payment will only be made for Goods received or Services actually performed that have been accepted by GRPUC.

## 4. Authorized Representative

GRPUC's Authorized Representative is Steve Mattson at the following business address: 500 SE 4<sup>th</sup> Street, Grand Rapids, MN, 55744 and the following telephone number: 218-326-7195, or his/her successor or delegate, and has the responsibility to monitor the Contractor's performance.

Contractor's Authorized Representative is Adam Thoreson at the following business address: 201 4<sup>th</sup> Ave SW, New Prague, MN 56071, and the following telephone number: 952-758-6600, or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify GRPUC.

5. **Ownership.** Contractor agrees that all legal right, title, and interest to intellectual property, data, documents, photographs, drawings, analyses, graphs, reports, physical property or other subject matter ("**GRPUC Property**") prepared, delivered, procured, or produced in relation to Contractor's obligations under this Contract shall vest in GRPUC. Contractor will perform all acts necessary to ensure that all GRPUC Property is the sole property of GRPUC, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the GRPUC Property.

6. **GRPUC Audits.** The Contractor's books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by GRPUC for six (6) years from the expiration or termination of this Contract. After reasonable notice, Contractor shall make such books, records, documents, and accounting procedures and practices available to GRPUC for its examination and audit.

## 7. Miscellaneous.

7.1 General. No provision of this Contract may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by all the Parties. No waiver by a Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by any Party which are not expressly set forth in this Contract. The validity, interpretation, construction and performance of this Contract shall be governed by the internal laws of Minnesota. If any provision of this Contract shall be held or made invalid by a court decision, statute, rule or

Exhibits (including any supplements), the order of precedence is first the Contract, and then in the following order:

- Exhibit A: Insurance Requirements
- Exhibit B: Specifications, Duties, and Scope of Work
- Exhibit C: Price and Payment Schedule

**IN WITNESS WHEREOF**, the parties hereto by their duly authorized representatives have executed this Contract effective as of the effective date set forth above.

**Electric Pump Inc.**

By: Adam Thoreson

Print Name: Adam Thoreson

Title: Sales Representative

Date: 9/9/2024

**Grand Rapids Public Utilities Commission**

By: \_\_\_\_\_

Print Name: Julie A. Kennedy

Title: General Manager

Date: \_\_\_\_\_

Any deductible will be the sole responsibility of the Contractor and may not exceed \$50,000 without the written approval of GRPUC.

**3.5 Property of Others Insurance (or equivalent).** The Contractor shall maintain a property insurance policy covering "All Risk" of direct physical loss or damage, or equivalent, including the perils of theft, flood, transit, earthquake, and pollution clean-up expense for property owned by GRPUC that is in the Contractor's care, custody, and control. Any deductible shall be the sole responsibility of the Contractor. Insurance **minimum** limits are as follows: The Contractor is solely responsible for the coverage equal to that of the actual cash value of GRPUC-owned property in the Contractor's care, custody, and control at any given point in time.

### **Exhibit B: Specifications, Duties, and Scope of Work**

1.1 The Contractor shall: Provide a rebuilt 60 hp flygt 3202 pump for the Grand Rapids Public Utilities.

### **Exhibit C: Price and Payment Schedule**

**Total Compensation:** The Contractor will be paid Twenty-Four Thousand Nine Hundred and Ten Dollars (\$24,910.00). Plus, shipping of a not to exceed of Five Hundred Dollars for a not to exceed Grand Total of Twenty-Five Thousand Four Hundred and Ten Dollars (\$25,410.00).

**Payment:** GRPUC will pay the Contractor within thirty (30) day following receipt of an undisputed invoice that complies with Exhibit C. Payment will only be made for Goods received or Services actually performed that have been accepted by GRPUC.