



GASVODA & ASSOCIATES, INC.
An Employee Owned Company
"Helping people use water efficiently"

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October 29, 2012

**Rochelle Municipal Utilities
333 Lincoln Highway
Rochelle, IL 61068**

**Attn: Ms. Kathy Cooper
CC: Matt Hansen, P.E. Willett, Hofmann Associates, Inc.**

RE: Alternate Contracts for Lakeview Lift Station

Ms. Cooper,

Pursuant to our meeting on September 27, 2012 and other follow up discussions with Rochelle Municipal Utilities personnel and Matt Hansen of Willett-Hofmann Associates, to discuss options to provide the desired equipment at costs that are more in line with the costs budgeted for the project, we can offer the following alternative to the submitted bid.

As we discussed there were a number of items relative to the bid form layout as well as the requirement for a single contract between the RMU and the supplier. I have worked with Smith & Loveless to modify the scope of supply which would include a deduct for the control equipment (which RMU has standardized on) to be provided by RMU to Smith & Loveless for their installation and integration.

We have included the stainless steel base option and the 2 Piece cover design including the extended warranties associated with the Smith & Loveless FX series pump station. Smith & Loveless would not warrant the control components provided by RMU and would expect that RMU handle any warranty issues relative to those control items with their local control supplier. The MultiTrode equipment provided by RMU would be integrated and fully tested prior to shipment of the pump station.

Gasvoda & Associates, Inc is contracted by Smith & Loveless to be their Manufacturers Representative however they do not typically allow us to "buy and resell" pumping equipment. The normal protocol would be for a contractor or end user such as RMU, to enter into an agreement

with Smith & Loveless directly. In this case there were additional items on the project such as the variable frequency drives provided by Gasvoda & Associates, Inc. for installation by Smith & Loveless as well as the flow meter requirement which made it difficult for a single source to provide all the equipment without Gasvoda & Associates actually purchasing the equipment and reselling the pump station along with the other components required.

We have modified the Smith & Loveless Scope of supply to include installation of VFDs as provided by Gasvoda & Associates as well as installation and integration of the controls provide by RMU instead of Smith & Loveless providing the controls. The flow meter readout would be field installed by Gasvoda & Associates field service technician at time of start up.

As a more cost effective offering, I have attached 2 separate contracts that essentially cover the scope of the proposal included as our bid, less the control components:

Contract with Smith & Loveless per their terms and conditions	\$ 60,000.00
Contract with Gasvoda & Associates, Inc. per our terms and conditions	\$ 7,159.00
Total of both contracts	\$ 67,159.00

I would note that the scope of work would be equal to our original bid including:

Lakeview base bid	\$ 77,824.00
Alternate bid 1	4,176.00
Total	\$ 82,000.00 less RMU's cost for the specified control equipment.

We feel that this offers a substantial savings to RMU with little variation to the original bid contracts. The offering is based on execution of both contracts.

Please review the attached contractors and advise if this is an acceptable alternative to original bid.

Thank you again for your time and consideration. We look forward to your positive response.

Sincerely,

John T. Greaney

John T. Greaney
Gasvoda & Associates, Inc.

Enclosures:

- 1. Smith & Loveless Proposal**
- 2. Gasvoda & Associates, Inc. Proposal**