

SUPPLY AGREEMENT NO. 4584

Neptune Water Meters & Parts

THIS **Neptune Water Meters & Parts Supply Agreement** ("Agreement") is entered into by and between the City of Corpus Christi, a Texas home-rule municipal corporation ("City") and Neptune Technology Group, Inc. ("Contractor"), effective upon execution by the City Manager or the City Manager's designee ("City Manager").

WHEREAS, Contractor has bid to provide Neptune Water Meters & Parts in response to Request for Bid No. **SS-4584** ("RFB"), which RFB includes the required scope of work and all specifications and which RFB and the Contractor's bid response are incorporated by reference in this Agreement as Exhibits 1 and 2, respectively, as if each were fully set out here in its entirety.

NOW, THEREFORE, City and Contractor agree as follows:

- 1. Scope.** Contractor shall provide Neptune Water Meters & Parts in accordance with the attached Scope of Work, as shown in Attachment A, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety. "Goods," "products", and "supplies", as used in this Agreement, refer to and have the same meaning.
- 2. Term.** The term of this Agreement begins on the date provided in the Notice to Proceed from the Contract Administrator or the City's Procurement Division and ends at the close of business on December 31, 2023. The parties may mutually extend the term of this Agreement for an agreed-upon period of time, provided, the parties do so in writing prior to the expiration of the original term and subject to sufficient City funds remaining for the purchase of additional supplies.
- 3. Compensation and Payment.** This Agreement is for an amount not to exceed \$1,492,058.47, subject to approved extensions and changes. Payment will be made for goods delivered and accepted by the City within 30 days of acceptance, subject to receipt of an acceptable invoice. All pricing must be in accordance with the attached Bid/Pricing Schedule, as shown in Attachment B, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety. The parties agree that, after June 30, 2023, the individual unit prices shown for the goods in Attachment B are subject to a unit price increase of up to 7%; however, in no event shall the total not-to-exceed amount of compensation stated in this paragraph be exceeded without a validly executed amendment to this Agreement.

Invoices must be mailed to the following address, with a copy provided to the Contract Administrator:

City of Corpus Christi
Attn: Accounts Payable
P.O. Box 9277
Corpus Christi, TX 78469-9277

- 4. Contract Administrator.** The Contract Administrator designated by the City is responsible for approval of all phases of performance and operations under this Agreement, including deductions for non-performance and authorizations for payment. The City's Contract Administrator for this Agreement is as follows:

Amanda Howard
Corpus Christi Water
(361) 826-1894
Email: AmandaH@cctexas.com

- 5. Insurance.** N/A; reserved.
- 6. Purchase Release Order.** For multiple-release purchases of products to be provided by the Contractor over a period of time, the City will exercise its right to specify time, place and quantity of products to be delivered in the following manner: any City department or division may send to Contractor a purchase release order signed by an authorized agent of the department or division. The purchase release order must refer to this Agreement, and products will remain with the Contractor until such time as the products are delivered and accepted by the City.
- 7. Inspection and Acceptance.** City may inspect all products supplied before acceptance. Any products that are delivered but not accepted by the City must be corrected or replaced immediately at no charge to the City. If immediate correction or replacement at no charge cannot be made by the Contractor, a replacement product may be bought by the City on the open market and any costs incurred, including additional costs over the item's bid price, must be paid by the Contractor within 30 days of receipt of City's invoice.

8. Warranty.

(A) The Contractor warrants that all products supplied under this Agreement are new, quality items that are free from defects, fit for their intended purpose, and of good material and workmanship. The Contractor warrants that it has clear title to the products and that the products are free of liens or encumbrances.

(B) In addition, the products purchased under this Agreement shall be warranted by the Contractor or, if indicated in Attachment C by the manufacturer, for the

period stated in Attachment C. Attachment C is attached to this Agreement and is incorporated by reference into this Agreement as if fully set out here in its entirety.

- 9. Quality/Quantity Adjustments.** Any quantities indicated on the Bid/Pricing Schedule are estimates only and do not obligate the City to order or accept more than the City's actual requirements nor do the estimates restrict the City from ordering less than its actual needs during the term of the Agreement. Substitutions and deviations from the City's product requirements and specifications are prohibited without the prior written approval of the Contract Administrator.
- 10. Non-Appropriation.** The continuation of this Agreement after the close of any fiscal year of the City, which fiscal year ends on September 30th annually, is subject to appropriations and budget approval specifically covering this Agreement as an expenditure in the City's budget, and it is within the sole discretion of the City's City Council to determine whether or not to fund this Agreement. The City does not represent that a budget item for this Agreement will be adopted, as said determination is within the City Council's sole discretion when adopting each budget.
- 11. Independent Contractor.** Contractor shall perform the work required by this Agreement as an independent contractor and will furnish such products in its own manner and method, and under no circumstances or conditions will any agent, servant or employee of the Contractor be considered an employee of the City.
- 12. Subcontractors.** In providing the goods, Contractor will not enter into subcontracts or utilize the services of subcontractors.
- 13. Amendments.** This Agreement may be amended or modified only in writing and executed by authorized representatives of both parties.
- 14. Waiver.** No waiver by either party of any breach of any term or condition of this Agreement waives any subsequent breach of the same.
- 15. Taxes.** The Contractor covenants to pay payroll taxes, Medicare taxes, FICA taxes, unemployment taxes and all other applicable taxes. Upon request, the City Manager shall be provided proof of payment of these taxes within 15 days of such request.
- 16. Notice.** Any notice required under this Agreement must be given by fax, hand delivery, or certified mail, postage prepaid, and is deemed received on the day faxed or hand-delivered or on the third day after postmark if sent by certified mail. Notice must be addressed and sent as follows:

IF TO CITY:

City of Corpus Christi
Attn: Amanda Howard
Contracts/Funds Administrator
2726 Holly Road
Corpus Christi, TX 78415
Phone: (361) 826-1894
Fax: (361) 826-4495

IF TO CONTRACTOR:

Neptune Technology Group, inc.
Attn: Hunter Brown
Territory Manager
1600 Alabama Highway 229
Tallasse, AL 36078
Phone: (281) 794-4267
Fax: (334) 283-7293

17. Contractor shall fully indemnify, hold harmless, and defend the City of Corpus Christi and its officers, employees, and agents (“Indemnitees”) from and against any and all liability, loss, claims, demands, suits, and causes of action of whatever nature, character, or description on account of personal injuries, property loss, or damage, or any other kind of injury, loss, or damage, including all expenses of litigation, court costs, attorneys’ fees, and expert witness fees, which arise or are claimed to arise out of or in connection with a breach of this Agreement or the performance of this Agreement by the Contractor or results from the negligent act, omission, misconduct, or fault of the Contractor or its employees or agents. Contractor must, at its own expense, investigate all claims and demands, attend to their settlement or other disposition, defend all actions based thereon with counsel satisfactory to the City Attorney, and pay all charges of attorneys and all other costs and expenses of any kind arising or resulting from any liability, damage, loss, claims, demands, suits, or actions. The indemnification obligations of the Contractor under this section shall survive the expiration or earlier termination of this Agreement.

18. Termination.

(A) The City may terminate this Agreement for Contractor's failure to comply with any of the terms or conditions of this Agreement. The City must give the Contractor written notice of the breach and set out a reasonable opportunity to

cure. If the Contractor has not cured within the stated cure period, the City may terminate this Agreement immediately thereafter.

(B) Alternatively, the City may terminate this Agreement for convenience upon 30 days advance written notice to the Contractor. The City may also terminate this Agreement upon 24 hours written notice to the Contractor for failure to pay or provide proof of payment of taxes as set out in this Agreement.

- 19. Owner's Manual and Preventative Maintenance.** The Contractor agrees to provide a copy of the owner's manual and/or preventative maintenance guidelines or instructions, if available, for any equipment purchased by the City pursuant to this Agreement. The Contractor must provide such documentation upon delivery of such equipment and prior to receipt of the final payment by the City.
- 20. Limitation of Liability.** The City's maximum liability under this Agreement is limited to the total amount of compensation listed in Section 3 of this Agreement. In no event shall the City be liable for incidental, consequential, or special damages.
- 21. Assignment.** No assignment of this Agreement by the Contractor, or of any right or interest contained herein, is effective unless the City Manager first provides written consent to such assignment. The performance of this Agreement by the Contractor is of the essence of this Agreement, and the City Manager's right to withhold consent to such assignment is within the sole discretion of the City Manager on any ground whatsoever.
- 22. Severability.** Each provision of this Agreement is considered to be severable and, if, for any reason, any provision or part of this Agreement is determined to be invalid and contrary to applicable law, such invalidity shall not impair the operation of nor affect those portions of this Agreement that are valid, but this Agreement shall be construed and enforced in all respects as if the invalid or unenforceable provision or part had been omitted.
- 23. Order of Precedence.** In the event of any conflicts or inconsistencies between this Agreement, its attachments, and exhibits, such conflicts and inconsistencies will be resolved by reference to the documents in the following order of priority:

 - A. this Agreement (excluding attachments and exhibits);
 - B. its attachments; then, followed by its exhibits;
 - C. the bid solicitation document including any addenda (Exhibit 1); then,
 - D. the Contractor's bid response (Exhibit 2).
- 24. Certificate of Interested Parties.** The Contractor agrees to comply with Texas Government Code Section 2252.908, as it may be amended, and to complete and submit Form 1295 "Certificate of Interested Parties" as part of this Agreement if required to do so pursuant to Texas law.

- 25. Governing Law.** The Contractor agrees to comply with all federal, Texas, and City laws, rules, and regulations in the performance of this Agreement. The applicable law for any legal disputes arising out of this Agreement is the law of the State of Texas, and such forum and venue for any disputes is the appropriate district, county, or justice court in and for Nueces County, Texas.
- 26. Public Information Act Requirements.** This paragraph applies only to agreements that have a stated expenditure of at least \$1,000,000 or that result in the expenditure of at least \$1,000,000 by the City. The requirements of Subchapter J, Chapter 552, Government Code, may apply to this contract and the Contractor agrees that the contract can be terminated if the Contractor knowingly or intentionally fails to comply with a requirement of that subchapter.
- 27. Entire Agreement.** This Agreement constitutes the entire agreement between the parties concerning the subject matter of this Agreement and supersedes all prior negotiations, arrangements, agreements, and understandings, whether oral or written, between the parties.

(SIGNATURE PAGE FOLLOWS)

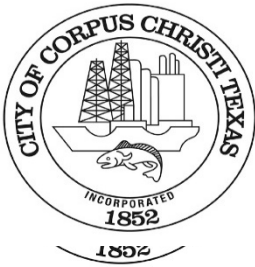
Attachment A: Scope of Work

1.1 General Requirements/Background Information

The Contractor shall provide water meters and associated components for water meters and associated equipment to Corpus Christi Water Department on an as-needed basis.

1.2 Service Requirements

- A. The Contractor shall deliver parts to:
Corpus Christi Water
2726 Holly Rd.
Corpus Christi, TX 78415
- B. The Contractor shall deliver parts between the hours of 8:00am through 5:00pm, Monday through Friday.
- C. The Contractor shall be responsible for all shipping charges.
- D. The Contractor shall have a bill of sale upon delivery.
- E. Pricing shall follow the pricing schedule.
- F. The Contractor shall arrange the return of the shipment if any items are found to be defective, unstable, or not in working condition. Any shipping charges will be refunded, via check to Corpus Christi Water.



**ATTACHMENT B: QUOTE/PRICING SCHEDULE
CITY OF CORPUS CHRISTI
QUOTE FORM**

1. Refer to "Sample Service Agreement" Contract Terms and Conditions before completing quote.
2. Quote your best price, including freight, for each item.
3. In submitting this quote, vendor certifies that the prices in this quote have been arrived at independently, without consultation, communication, or agreement with any other vendor or competitor, for the purpose of restricting competition with regard to prices.

Invitation to quote, FOB Destination, Freight Included, on the following:

DESCRIPTION	Estimated Spend	Total
Water Meters and Parts	\$ 1,492,058.47	\$ 1,492,058.47
Freight / Shipping Included	\$ 0.00	\$ 0.00
		\$ 1,492,058.47

COMPANY: Neptune Technology Group Inc.

NAME OF PERSON AUTHORIZED TO SIGN: Lawrence M Russo

ADDRESS: 1600 Alabama Highway 229

CITY / STATE/ZIP: Tallassee, Alabama, 36078

PHONE: 334-283-7215

EMAIL:

FAX: N/A

DATE:

SIGNATURE:

TITLE:

THE CITY RESERVES THE RIGHT TO REJECT OR CANCEL ANY OR ALL QUOTES. TO WAIVE ANY INFORMALITIES OR IRREGULARITIES IN THE QUOTES RECEIVED AND TO CANCEL OR POSTPONE THIS PROJECT UNTIL A LATER DATE.

			Date Prepared: 12/13/2022
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Buying Agency: City of Corpus Christi, Texas	Contractor: Neptune Technology Group, Inc.
Contact Person: Leslie Cantu	Prepared By: Hunter Brown
Phone: 361-826-1288	Phone: 334-415-2032
Fax:	Fax:
Email: lesliec@cctexas.com	Email: hbrown@neptunetg.com

Catalog / Price Sheet Name:	Neptune PL-40 Price Sheet (Pricing valid through 6-30-23)
General Description of Product:	Water Meters (T-10 & HPT)

A. Catalog / Price Sheet Items being purchased - Itemize Below - Attach Additional Sheet If Necessary

Quan	Description	Unit Pr	Total
1	ED2B21RPHG21S2629 5/8x3/4" t-10 METER with Nicor Connector	\$ 101.16	101.16
3200	ED2D21RPHG21S2629 3/4" t-10 METER with Nicor Connector	\$ 121.45	388640
200	ED2F21RPHG21S2629 1" t-10 METER with Nicor Connector	\$ 179.70	35940
40	ED2H11RPHG21S2629 1 1/2" t-10 METER with Nicor Connector	\$ 421.20	16848
100	ED2J11RPHG21S2629 2" t-10 METER with Nicor Connector	\$ 538.73	53873
40	ET4HRPHG21S2629 1 1/2" HPT with Nicor Connector	\$ 624.45	24978
200	ET4ARPHG21S2629 2" HPT with Nicor Connector	\$ 654.03	130806
20	ET4BRPHG21S2629 3" HPT with Nicor Connector	\$ 917.68	18353.6
10	ET4CRPHG21S2629 4" HPT with Nicor Connector	\$ 1,196.67	11966.7
15	ET4DRPHG21S2629 6" HPT with Nicor Connector	\$ 1,936.95	29054.25
10	ET4ERPHG21S2629 8" HPT with Nicor Connector	\$ 2,490.38	24903.8
5	ET4FRHG21S2629 10" HPT with Nicor Connector	\$ 4,295.08	21475.4
Total From Other Sheets, If Any:			
Subtotal A:			756939.91

B. Unpublished Options, Accessory or Service items - Itemize Below - Attach Additional Sheet If Necessary

(Note: Unpublished Items are any which were not submitted and priced in contractor's bid.)

Quan	Description	Unit Pr	Total
			0
			0
			0
			0
Total From Other Sheets, If Any:			
Subtotal B:			0

Check: Total cost of Unpublished Options (B) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B).	For this transaction the percentage is:	0%
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C. Trade-Ins / Special Discounts / Other Allowances / Freight / Installation / Miscellaneous Charges

Subtotal C:		0

Delivery Date:	D. Total Purchase Price (A+B+C):	756939.91
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			Date Prepared:	12/13/2022
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Buying Agency:	City of Corpus Christi, Texas	Contractor:	Neptune Technology Group, Inc.	
Contact Person:	Leslie Cantu	Prepared By:	Hunter Brown	
Phone:	361-826-1288	Phone:	334-415-2032	
Fax:		Fax:		
Email:	lesliec@cctexas.com	Email:	hbrown@neptunetg.com	

Catalog / Price Sheet Name:	Neptune PL-40 Price Sheet (Pricing valid through 6-30-23)
General Description of Product:	Water Meters (Compounds & Strainers)

A. Catalog / Price Sheet Items being purchased - Itemize Below - Attach Additional Sheet If Necessary

Quan	Description	Unit Pr	Total
			0
1	EC3BRPHG21S2629 3" TRU/FLO Compound Meter with Nicor Connector	\$ 2,064.74	2064.74
1	EC3CRPHG21S2629 4" TRU/FLO Compound Meter with Nicor Connector	\$ 2,782.44	2782.44
1	EC3DRPHG21S2629 6" TRU/FLO Compound Meter with Nicor Connector	\$ 4,673.12	4673.12
1	53120-000 2" Bronze Strainer	\$ 413.75	413.75
4	53107-000 3" Bronze Strainer	\$ 735.00	2940
4	53107-100 4" Bronze Strainer	\$ 887.75	3551
4	51000-201 6" Bronze Strainer	\$ 1,495.67	5982.68
2	52000-304 8" Bronze Strainer	\$ 2,731.64	5463.28
2	52000-402 10" Bronze Strainer	\$ 4,579.00	9158
			0
			0
Total From Other Sheets, If Any:			
Subtotal A:			37029.01

B. Unpublished Options, Accessory or Service items - Itemize Below - Attach Additional Sheet If Necessary
 (Note: Unpublished Items are any which were not submitted and priced in contractor's bid.)

Quan	Description	Unit Pr	Total
			0
			0
			0
			0
Total From Other Sheets, If Any:			
Subtotal B:			0

Check: Total cost of Unpublished Options (B) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B).	For this transaction the percentage is:	0%
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C. Trade-Ins / Special Discounts / Other Allowances / Freight / Installation / Miscellaneous Charges			
Subtotal C:			0

Delivery Date:	D. Total Purchase Price (A+B+C):	37029.01
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			Date Prepared:	12/13/2022
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Buying Agency:	City of Corpus Christi, Texas	Contractor:	Neptune Technology Group, Inc.	
Contact Person:	Leslie Cantu	Prepared By:	Hunter Brown	
Phone:	361-826-1288	Phone:	334-415-2032	
Fax:		Fax:		
Email:	lesliec@cctexas.com	Email:	hbrown@neptunetg.com	

Catalog / Price Sheet Name:	Neptune PL-40 Price Sheet (Pricing valid through 6-30-23)
General Description of Product:	Water Meters (UME & Misc.)

A. Catalog / Price Sheet Items being purchased - Itemize Below - Attach Additional Sheet If Necessary

Quan	Description	Unit Pr	Total
10	12482-002 Installation Kit	\$ 4.38	43.8
2000	9601-001 Register Seal Pins	\$ 0.28	560
45	13761-021S2629 2" HPT UME with Nicor Connector	\$ 464.10	20884.5
10	13761-121S2629 3" HPT UME with Nicor Connector	\$ 696.15	6961.5
5	13761-221S2629 4" HPT UME with Nicor Connector	\$ 928.20	4641
5	13761-321S2629 6" HPT UME with Nicor Connector	\$ 1,392.30	6961.5
5	13761-421S2629 8" HPT UME with Nicor Connector	\$ 1,856.40	9282
5	13761-521S2629 10" HPT UME with Nicor Connector	\$ 2,320.50	11602.5
			0
			0
			0
			0
Total From Other Sheets, If Any:			
Subtotal A:			60936.8

B. Unpublished Options, Accessory or Service items - Itemize Below - Attach Additional Sheet If Necessary
 (Note: Unpublished Items are any which were not submitted and priced in contractor's bid.)

Quan	Description	Unit Pr	Total
			0
			0
			0
			0
Total From Other Sheets, If Any:			
Subtotal B:			0

Check: Total cost of Unpublished Options (B) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B).	For this transaction the percentage is:	0%
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C. Trade-Ins / Special Discounts / Other Allowances / Freight / Installation / Miscellaneous Charges			
Subtotal C:			0

Delivery Date:	D. Total Purchase Price (A+B+C):	60936.8
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Attachment B-5**Date Prepared:** 12/13/2022

Buying Agency:	City of Corpus Christi, Texas	Contractor:	Neptune Technology Group, Inc.
Contact Person:	Leslie Cantu	Prepared By:	Hunter Brown
Phone:	361-826-1288	Phone:	334-415-2032
Fax:		Fax:	
Email:	lesliec@cctexas.com	Email:	hbrown@neptunetg.com

Catalog / Price Sheet Name:	Neptune PL-40 Price Sheet (Pricing valid through 6-30-23)
General Description of Product:	Water Meters (Mach10 & Protectus)

A. Catalog / Price Sheet Items being purchased - Itemize Below - Attach Additional Sheet If Necessary

Quan	Description	Unit Pr	Total
1	EU1D1G1S2629 3/4" SL Mach 10 Meter with Nicor Connector	\$ 200.00	200
1	EU1F1G1S2629 1" Mach 10 Meter with Nicor Connector	\$ 247.00	247
1	EU2D1G1S2629 1 1/2" Mach 10 Meter with Nicor Connector	\$ 606.25	606.25
1	EU2F1G1S2629 2" Mach 10 Meter with Nicor Connector	\$ 650.00	650
1	EU3A1G1S2629 3" Mach10 Meter with Nicor Connector	\$ 1,062.50	1062.5
1	EU3C1G1S2629 4" Mach 10 Meter with Nicor Connector	\$ 1,625.00	1625
1	EU3E1G1S2629 6" Mach 10 Meter with Nicor Connector	\$ 3,250.00	3250
1	EU4A1G1S2629 8" Mach 10 Meter with Nicor Connector	\$ 6,852.00	6852
1	EU4B1G1S2629 10" Mach 10 Meter with Nicor Connector	\$ 8,560.00	8560
1	EU4C1G1S2629 12" Mach 10 Meter with Nicor Connector	\$ 9,975.00	9975
1	EP4D1RPHG21S2629 6" HP Protectus III Meter with Nicor Connectors	\$ 7,500.00	7500
1	EP4E1RPHG21S2629 8" HP Protectus III Meter with Nicor Connectors	\$ 9,750.00	9750
Total From Other Sheets, If Any:			
Subtotal A:			50277.75

B. Unpublished Options, Accessory or Service items - Itemize Below - Attach Additional Sheet If Necessary

(Note: Unpublished Items are any which were not submitted and priced in contractor's bid.)

Quan	Description	Unit Pr	Total
			0
			0
			0
			0
Total From Other Sheets, If Any:			
Subtotal B:			0
Check: Total cost of Unpublished Options (B) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B).		For this transaction the percentage is:	0%

C. Trade-Ins / Special Discounts / Other Allowances / Freight / Installation / Miscellaneous Charges

Subtotal C:			0
Delivery Date:		D. Total Purchase Price (A+B+C):	50277.75

Attachment C: Warranty Requirements

Neptune T-10, HP Turbine, TRU/FLO® Compound Cold Water Meters Warranty



1. Terms of Limited Warranty.

With respect to its Neptune T-10, HP TURBINE, TRU/FLO® Compound Water Meters (collectively the "Water Meters"), Neptune Technology Group Inc. ("Neptune") warrants the following on meters sold on or after 11/1/92:

The Water Meters will be, at the later of (i) the date of original purchase from Neptune or (ii) the date of original shipment from Neptune-authorized distributor of Water Meters (that later date is referred to as "the Date of Shipment") and will remain for a period of eighteen (18) months from the Date of Shipment, or twelve (12) months from date of installation, whichever comes first, free from manufacturing defects in workmanship and material.

- (a) **Maincase.** The no-lead high copper alloy or Brass maincase of the Water Meters will be at the Date of Shipment free from manufacturing defects in workmanship and material for the life of the Water Meter.
- (b) **Frost Protection.** All Neptune T-10 Cold Water Meters shipped with a synthetic polymer or cast iron bottom cap will, commencing upon the Date of Shipment, be warranted against chamber damage for a period of ten (10) years.
- (c) **Registers.** Standard, roll sealed registers of the Water Meters will be at the Date of Shipment, and shall remain for the following periods, free from manufacturing defects in workmanship and material for a period of ten (10) years. The ARB®, ProRead™ (ARB VI), and E-Coder® (ARB VII) system registers are warranted for ten (10) years from Date of Shipment. All ProRead encoder receptacles shipped after January 1, 2001 shall be warranted for five years from the Date of Shipment. All other components and parts are covered under Neptune's standard one-year material and workmanship guarantee.
- (d) **Meter Accuracy for Neptune T-10.** Neptune T-10 Meters and Neptune T-10 nutating disc chambers in TRU/FLO Compound Water Meters are warranted to meet or exceed, as listed herein, accuracy standards of the AWWA Standard C700-95 for a period of: (i) five (5) years from Date of Shipment for 5/8", 3/4" and 1" meters; (ii) for a period of two (2) years from the Date of Shipment for 1 1/2" and 2" meters; or (iii) the applicable registration shown below, whichever occurs first. Neptune further guarantees that the Neptune T-10 and Neptune T-10 nutating disc chambers in TRU/FLO Compound Water Meters will perform to at least Repaired Meter Accuracy Standards, according to AWWA Manual M-6 Chapter 5 (1999) Table 5.3 for an additional ten (10) years or the registration shown below, whichever occurs first.
- (e) **Meter Accuracy for HP Turbine and TRU/FLO.** The HP Turbine and TRU/FLO Compound Cold Water Meters will perform, for a period of one (1) year from the Date of Shipment, to American Water Works Association ("AWWA") accuracy standards for new water meters.

SIZE	EXTENDED LOW FLOW ACCURACY	NEW METER ACCURACY	REPAIRED METER ACCURACY
½ & ¾ x ¾"	¼ US gpm @ 95% 5 years or 500,000 gallons	500,000 gallons	1,500,000 gallons
¾"	¼ US gpm @ 95% 5 years or 750,000 gallons	750,000 gallons	2,250,000 gallons
1"	¼ US gpm @ 95% 5 years or 1,000,000 gallons	1,000,000 gallons	3,000,000 gallons
1 ½"	¼ US gpm @ 95% 2 years or 1,600,000 gallons	1,600,000 gallons	5,000,000 gallons
2"	1 US gpm @ 95% 2 years or 2,700,000 gallons	2,700,000 gallons	8,000,000 gallons

WMETER 09.11



2. Warranty Return.

If a Neptune Water Meter fails an accuracy test during an applicable warranty period, it may be returned to Neptune for repair or replacement at Neptune's option. An accuracy test shall be conducted by the customer according to AWWA standards. Any meter being returned for repair to Neptune under this performance guarantee must be returned with a copy of the customer's test results. If the meter is returned to Neptune without a copy of the test results or if Neptune's factory test shows the meter to meet current AWWA standards, the customer will be charged a nominal testing fee by Neptune in such cases. Neptune will repair or replace the meter at Neptune's option after the meter has been tested by Neptune. Meters repaired or replaced under the performance guarantee will be guaranteed to perform to AWWA repaired meter accuracy standards.

3. Warranties are exclusive.

The warranties set forth in this certificate of warranty are in lieu of any other warranty, guarantee, or representation, whether expressed or implied, including without limitation, the warranty of merchantability and the warranty of fitness for a particular purpose.

4. Damages limited to costs of replacement and repair.

If the Water Meter fails to meet the warranties set forth in Paragraph 1 of this Certificate of Warranty, Neptune, at its option shall, without charge of labor or materials, repair or replace the Water Meter or part thereof, provided that (a) the Water Meter is delivered to a Neptune representative, (b) the Water Meter is accompanied by a Return Material Authorization (RMA), and (c) all costs of delivery to Neptune are assumed by the purchaser of the Water Meter. Neptune's liability is limited to its costs of replacement and repair of the defective water meter. Damages resulting from miscalculation of water usage or lost revenue or profit are not recoverable from Neptune. It is the responsibility of the customer to periodically verify the operation and accuracy of its meters.

5. Warranties are inapplicable under certain conditions.

The warranties set forth in this Certificate of Warranty do not apply to any Water Meter that has been damaged by, or subjected to, conditions which, in the opinion of Neptune, have affected the Water Meter's ability of performance, including but not limited to: misuse; improper handling, application or installation; excessive operating conditions; foreign materials in the water; aggressive water conditions; tampering or unauthorized repairs or modifications; accidental or intentional damage; acts of God. This Certificate of Warranty shall not apply if product is placed in non-recommended installation, is connected or altered by other than Neptune recommended procedures, is used with other than genuine Neptune meter registers and components, or read by equipment not approved or licensed by Neptune. Neptune makes no claims concerning operability and/or compatibility or third party reading systems. In addition, this Certificate of Warranty shall not apply if third party reading equipment is believed to have caused damage to the meter or register. In order to determine its liability, if any, under this Certificate of Warranty, Neptune shall have the right to inspect any Water Meter or part thereof that is claimed to be defective at Neptune or other location designated by Neptune.

NEPTUNE'S LIABILITY WITH RESPECT TO BREACHES OF THE FOREGOING LIMITED WARRANTY SHALL BE LIMITED AS STATED HEREIN. NEPTUNE'S LIABILITY SHALL IN NO EVENT EXCEED THE PURCHASE PRICE. NEPTUNE SHALL NOT BE SUBJECT TO AND DISCLAIMS THE FOLLOWING: (1) ANY OTHER OBLIGATIONS OR LIABILITIES ARISING OUT OF BREACH OF CONTRACT OR OF WARRANTY (2) ANY OBLIGATIONS WHATSOEVER ARISING FROM TORT CLAIMS (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR ARISING UNDER OTHER THEORIES OF LAW WITH RESPECT TO PRODUCTS SOLD OR SERVICES RENDERED BY NEPTUNE, OR ANY UNDERTAKINGS, ACT OR OMISSIONS RELATING THERETO, AND (3) ALL CONSEQUENTIAL, INCIDENTAL, SPECIAL, MULTIPLE, EXEMPLARY, AND PUNITIVE DAMAGES WHATSOEVER.

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ProRead™/E-Coder® Encoder Warranty Statement



Products Covered

This warranty shall apply to both the ProRead Absolute Encoder and E-Coder Solid State Absolute Encoder Registers, hereinafter referred to as "Product," sold by Neptune Technology Group Inc. The warranty is extended only to utilities, municipalities, other commercial users, and authorized distributors, hereinafter referred to as "Customer," and does NOT apply to consumers.

Materials and workmanship

Neptune Technology Group Inc. ("Neptune") warrants that the product shall be free from defects in manufacture and design for a period of ten (10) years from the date of shipment (such period being the "Warranty Period") when installed, serviced and operated according to Neptune's instructions. Neptune shall not be responsible for any defects in the product (whether due to design, materials, manufacture, or otherwise) which manifest themselves after the expiration of the Warranty Period. Neptune will repair or replace a non-performing product free of charge for ten (10) years.

Warranties are inapplicable under certain conditions

This warranty does not include field replacement labor or materials costs, which are the responsibility of the Customer. This warranty does not apply if product is placed in non-recommended installations; may have been repaired with parts not recommended by Neptune; is converted, altered or connected by other than Neptune recommended procedures; is used with other than genuine Neptune components or read by equipment not approved or licensed by Neptune; or damaged due to improper care or maintenance, or improper periodic testing (please refer to Encoder quick install guide). This warranty does not apply to any Product that has been damaged by, or subjected to, conditions which, in the opinion of Neptune, have affected the Product's ability of performance, including but not limited to: misuse; improper handling; application or installation; excessive operating conditions; tampering or unauthorized repairs and modifications; accidental or intentional damage; or acts of God. In no event shall Neptune be liable for special, incidental, indirect or consequential damages, including, without limitation, lost revenue.

THE ABOVE WARRANTY IS THE SOLE AND EXCLUSIVE WARRANTY GIVEN BY NEPTUNE WITH RESPECT TO THE PRODUCT. ALL OTHER WARRANTIES, CONDITIONS, TERMS, REPRESENTATIONS, OR OTHER LEGALLY OPERATIVE PROVISIONS CONCERNING THE PRODUCT ARE HEREBY EXPRESSLY EXCLUDED, INCLUDING WITHOUT LIMITATION, ANY WARRANTY, CONDITION, TERM, AND REPRESENTATION OR OTHER LEGALLY OPERATIVE PROVISION AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THIS PARAGRAPH IS EXPRESSLY INTENDED TO EXCLUDE FROM THIS CONTRACT ALL STATUTORY AND COMMON LAW WARRANTIES TO THE MAXIMUM EXTENT PERMITTED BY LAW. TO AVOID ANY AMBIGUITY OR MISUNDERSTANDING, ALL PROBLEMS ARISING WITH THE PRODUCT AFTER THIS POINT ARE CUSTOMER'S RESPONSIBILITY. NEPTUNE'S LIABILITY SHALL IN NO EVENT EXCEED THE PURCHASE PRICE. NEPTUNE SHALL NOT BE SUBJECT TO AND DISCLAIMS THE FOLLOWING: (1) ANY OTHER OBLIGATIONS OR LIABILITIES ARISING OUT OF BREACH OF CONTRACT OR OF WARRANTY; (2) ANY OBLIGATIONS WHATSOEVER ARISING FROM TORT CLAIMS (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR ARISING UNDER OTHER THEORIES OF LAW WITH RESPECT TO PRODUCTS SOLD OR SERVICES RENDERED BY NEPTUNE, OR ANY UNDERTAKINGS, ACTS, OR OMISSIONS RELATING THERETO; AND (3) ALL CONSEQUENTIAL, INCIDENTAL, SPECIAL, MULTIPLE, EXEMPLARY, AND PUNITIVE DAMAGES WHATSOEVER.

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Encoder Compatibility Guarantee



Automatic Reading and Billing (ARB®) System (ARB V, ProRead™, and E-Coder®)

With the purchase of the ARB encoder metering system, Neptune will provide the assurance that the ARB System purchased today can be expanded from reading with Neptune handheld devices to reading with Neptune mobile products and fixed network systems.

GUARANTEE OF COMPATIBILITY

The Pocket ProReader RF, Advantage Probe, R900®, E-Coder®R900i™, DAP handhelds (PC9300, 9800 & CE5320B) and Neptune mobile systems are designed and built by Neptune. This guarantees the utility compatibility between these systems and the ARB encoder registers.

For Probed Reads: When reading ARB encoders with the Pocket ProReader RF, Advantage Probe, or DAP handhelds (PC9300, 9800 and CE5320B), Neptune guarantees that the meter reading obtained will match the mechanical odometer reading, or Neptune will pay the difference at the rate currently in force.

For RF Reads: When reading ARB encoders connected to an R900 where the R900 reads a ProRead or ARB V encoder hourly, or in the case of E-Coder where the R900 reads the E-Coder every 15 minutes, Neptune guarantees the encoder reading and the remote reading will match upon manual activation of the R900 with a magnet to force an immediate read and transmission. In the event of the E-Coder®R900i where the R900 transmission is updated every 15 minutes, Neptune will guarantee the encoder reading and remote reading to match upon this update. If the electronic reading on the handheld device is less than the odometer reading, Neptune will pay the difference at the rate currently in force.

Damage Guarantee

The Pocket ProReader RF, Advantage Probe, R900, E-Coder®R900i, DAP handhelds (PC9300 & 9800, CE5320B) and Neptune mobile systems are warranted against causing damage to any ARB encoder register during interrogation. If it is found that the Pocket ProReader RF, Advantage Probe, R900, DAP handhelds (PC9300 & 9800, CE5320B) or Neptune mobile systems caused damage to an ARB encoder register during interrogation, Neptune will either repair or replace the register at no charge to the utility.

If there are any questions concerning this Meter & Reading Information Systems Guarantee, please write to: Manager of Consumer Relations, Neptune Technology Group Inc., 1600 Alabama Hwy, 229, Tallahassee, Alabama 36078.

If a Neptune water meter fails an accuracy test during an applicable warranty period, it may be returned to Neptune for repair or replacement at Neptune's option. An accuracy test shall be conducted by the customer according to AWWA standards. If foreign material causes the meter not to perform appropriately, all such materials shall be removed prior to the customer conducting the test. Any meter being returned for repair to Neptune under this performance guarantee must be returned with a copy of the customer's test results. If the meter is returned to Neptune without a copy of the test results or if Neptune's factory test shows the meter to meet current AWWA standards, the customer will be charged a nominal testing fee by Neptune in such cases. Neptune will repair or replace the meter at Neptune's option after the meter has been tested by Neptune. Meters repaired or replaced under the performance guarantee will be guaranteed to perform to AWWA repaired meter accuracy standards. This guarantee is void if components have not been maintained or installed according to Neptune installation and maintenance guidelines, or are otherwise damaged or defective. The accuracy guarantee will not apply where a properly formatted electronic meter reading cannot be obtained on six digit encoders. The last digit will be displayed only as a zero (0) or five (5) when read remotely. As part of the encoder technology, the electronic reading from the R900 is guaranteed to match the reading on the encoder register upon manual activation of the R900 with a magnet to force an immediate read and transmission (one per hour). System damage as a result of vandalism or acts of God are not covered. Additional warranties may also apply to individual system components. Neptune's liability with respect to breaches of the foregoing warranty shall be limited as stated herein. Neptune's liability shall in no event exceed the purchase price. Neptune shall not be subject to and disclaims the following: (1) any other obligations or liabilities arising out of breach of contract or of warranty; (2) any obligations whatsoever arising from tort claims (including negligence and strict liability) or arising under other theories of law with respect to products sold or services rendered by Neptune, or any undertakings, acts, or omissions relating thereto; and (3) all consequential, incidental, special, multiple, exemplary, and punitive damages whatsoever.

THE WARRANTIES SET FORTH HEREIN ARE IN LIEU OF AND EXCLUDE ALL OTHER WARRANTIES, WHETHER EXPRESSED, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

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