

## SUPPLY AGREEMENT NO. 3419

### Water Meters and Components for Utilities Department

THIS **Water Meters and Components for Utilities Department 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 Water Meters and Components for Utilities Department in response to Request for Bid No. **HGACBuy Coop WM09-20** ("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 will provide Water Meters and Components for Utilities Department 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.** This Agreement is for two years. The parties may mutually extend the term of this Agreement, provided, the parties do so by written amendment prior to the expiration of the original term or the then-current Option Period. The City's extension authorization must be executed by the City Manager or designee.
3. **Compensation and Payment.** This Agreement is for an amount not to exceed \$810,403.79, 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. Contractor shall invoice no more frequently than once per month. 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. Any amount not expended during the initial term or any option period may, at the City's discretion, be allocated for use in the next option period.

Invoices will 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, Texas 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:

Name: Joanna Moreno  
Department: Contract Funds Administrator  
Phone: 361-826-1649  
Email: N/A

5. **Insurance.** Before performance can begin under this Agreement, the Contractor must deliver a certificate of insurance ("COI"), as proof of the required insurance coverages, to the City's Risk Manager and the Contract Administrator. Additionally, the COI must state that the City will be given at least 30 days' advance written notice of cancellation, material change in coverage, or intent not to renew any of the policies. The City must be named as an additional insured. The City Attorney must be given copies of all insurance policies within 10 days of the City Manager's written request. Insurance requirements are as stated in Attachment C, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety.
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 D by the manufacturer, for the period stated in Attachment D. Attachment D is attached to this Agreement and is incorporated by reference into this Agreement as if fully set out here in its entirety. In the event of a conflict between Section 8(A) and Attachment D, the latter controls.

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 and including any Option Period. Substitutions and deviations from the City's product requirements or 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 30<sup>th</sup> annually, is subject to appropriations and budget approval specifically covering this Agreement as an expenditure in said 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 this budget item will be adopted, as said determination is within the City Council's sole discretion when adopting each budget.
11. **Independent Contractor.** Contractor will 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 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 sent as follows:

**IF TO CITY:**

City of Corpus Christi  
Attn: Joanna Moreno  
Title: Contract Funds Administrator  
Address: 2726 Holly Rd., Corpus Christi, Texas 78415  
Phone: 361-826-1649  
Fax: N/A

**IF TO CONTRACTOR:**

Neptune Technology Group Inc.  
Attn: Lawrence M Russo  
Title: VP Finance  
Address: 1600 Alabama Highway 229, Tallassee, AL 36078  
Phone: 334-283-7215  
Fax: N/A

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 THIRD PARTY 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, REASONABLE 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 SAID LIABILITY, DAMAGE, LOSS, CLAIMS, DEMANDS, SUITS, OR ACTIONS. THE INDEMNIFICATION OBLIGATIONS OF CONTRACTOR UNDER THIS SECTION SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.***

**18. Termination.**

(A) The City Manager may terminate this Agreement for Contractor's failure to comply with any of the terms of this Agreement. The Contract Administrator 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 cure period, the City Manager may terminate this Agreement immediately thereafter.

(B) Alternatively, the City Manager may terminate this Agreement for convenience upon 30 days advance written notice to the Contractor. The City Manager 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. Notwithstanding the foregoing, City Manager's election to terminate this Agreement shall not excuse City's obligation to pay for products and services rendered prior to the termination date.

**19. Owner's Manual and Preventative Maintenance.** 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. 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. EXCEPT IN THE CASE OF THE INDEMNIFICATION PROVIDED BY SECTION 17, IN NO EVENT WILL CONTRACTOR BE LIABLE FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, EXEMPLARY, OR OTHER INDIRECT DAMAGES OR LOSSES, INCLUDING WITHOUT LIMITATION LOSS OF DATA, HOWEVER CAUSED, WHETHER OR NOT FORESEEABLE, AND EVEN IF ADVISED OF THE POSSIBILITY THEREOF, AND CONTRACTOR'S AGGREGATE LIABILITY IN DAMAGES OR OTHERWISE FOR ANY AND ALL CAUSES SHALL BE LIMITED TO THE AMOUNT LISTED IN SECTION 3. THESE LIMITATIONS WILL APPLY NOTWITHSTANDING THE FAILURE OF THE ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

**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 gives 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;
  - C. the bid solicitation document including any addenda (Exhibit 1); then,
  - D. the Contractor's bid response (Exhibit 2).
- 24. Certificate of Interested Parties.** Contractor agrees to comply with Texas Government Code Section 2252.908, as it may be amended, and to complete Form 1295 "Certificate of Interested Parties" as part of this Agreement if required by said statute.
- 25. Governing Law.** Contractor agrees to comply with all federal, Texas, and City laws 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 form and venue for such 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, either oral or written, between the parties.

## CONTRACTOR

DocuSigned by:  
*Lawrence M Russo*  
Signature: 22ABBA9793D492...  
Printed Name: Lawrence M Russo  
Title: VP Finance  
Date: 1/28/2021

## CITY OF CORPUS CHRISTI

Josh Chronley  
Interim Assistant Director, Contracts and Procurement

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

## APPROVED AS TO LEGAL FORM:

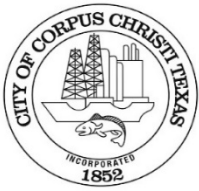
\_\_\_\_\_  
Assistant City Attorney Date

### Attached and Incorporated by Reference:

Attachment A: Scope of Work  
Attachment B: Bid/Pricing Schedule  
Attachment C: Insurance Requirements  
Attachment D: Warranty Requirements

### Incorporated by Reference Only:

Exhibit 1: RFB No. HGACBuy Coop WM09-20  
Exhibit 2: Contractor's Bid Response



## ATTACHMENT A: SCOPE OF WORK

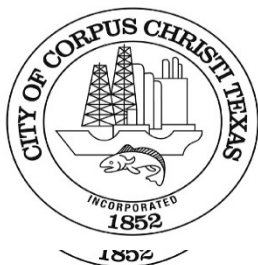
### 1.1 General Requirements/Background Information

The Contractor shall provide water meters and associated components as per HGACBuy Cooperative Contract WM09-20 Water, Gas, and Electric Meters and Associated Equipment to the Utilities Department, on an as needed basis for a period of two-years.

### 1.2 Service Requirements

- A. The Contractor shall deliver parts to:  
City of Corpus Christi - Water – Utilities Department  
2726 Holly Rd., Building 8-A, Corpus Christi, Texas 78415
- B. The Contractor shall deliver parts between the hours of 7:00am through 5:00pm.
- C. The Contractor is responsible for all shipping charges.
- C. The Contractor shall have a bill of sale upon delivery.
- D. Pricing shall follow HGACBuy Cooperative Contract WM09-20 pricing schedule.
- E. If any items are found to be defective, unusable, or not in working condition, the Contractor shall arrange the return of the shipment or the shipping charges will be reimbursed on the invoice.





**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	One-Year Estimated Spend	Qty	Unit	Total
Water Meters with HGACBuy Cooperative Contract WM09-20	\$ 405,201.90	2	Year	\$ 810,403.79
Freight / Shipping Included	\$ 0.00			\$ 0.00
<b>Two-Year Total</b>				\$ 810,403.79

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: [lrusso@neptunetg.com](mailto:lrusso@neptunetg.com)

FAX: N/A

DATE: 1/28/2021

SIGNATURE:

DocuSigned by:

*Lawrence M Russo*

22ABBAA9793D492...

TITLE: VP Finance

**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.**


**CONTRACT PRICING WORKSHEET**  
 For Catalog & Price Sheet Type Purchases

**Contract No.:**
**WM09-20**
**Date Prepared:**

11/10/2020

**This Worksheet is prepared by Contractor and given to End User. If a PO is issued, both documents MUST be faxed to H-GAC @ 713-993-4548. Therefore please type or print legibly.**

<b>Buying Agency:</b>	City of Corpus Christi, Texas	<b>Contractor:</b>	Neptune Technology Group, Inc.
<b>Contact Person:</b>	Joanna Moreno	<b>Prepared By:</b>	Hunter Brown
<b>Phone:</b>	361-826-1649	<b>Phone:</b>	334-415-2032
<b>Fax:</b>		<b>Fax:</b>	
<b>Email:</b>	<a href="mailto:joannam@cctexas.com">joannam@cctexas.com</a>	<b>Email:</b>	hbrown@neptunetg.com

<b>Catalog / Price Sheet Name:</b>	Neptune PL-37 Price Sheet
<b>General Description of Product:</b>	Water Meters (Registers)

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

Quan	Description	Unit Pr	Total
500	RPH2G11S2629 5/8" PROCODER REGISTER with Nicor Connector	\$ 51.60	25800
1000	RPH2G21S2629 3/4" PROCODER REGISTER with Nicor Connector	\$ 51.60	51600
1000	RPH2G31S2629 1" PROCODER REGISTER with Nicor Connector	\$ 51.60	51600
500	RPH2G41S2629 1 1/2" t-10 PROCODER REGISTER with Nicor Connector	\$ 51.60	25800
500	RPH2G51S2629 2" t-10 PROCODER REGISTER with Nicor Connector	\$ 51.60	25800
20	RPH5G11S2629 2" HPT PROCODER REGISTER with Nicor Connector	\$ 51.60	1032
1	RPH5G21S2629 3" HPT PROCODER REGISTER with Nicor Connector	\$ 51.60	51.6
1	RPH5G31S2629 4" HPT PROCODER REGISTER with Nicor Connector	\$ 51.60	51.6
1	RPH5G41S2629 6" HPT PROCODER REGISTER with Nicor Connector	\$ 51.60	51.6
1	RPH5G51S2629 8" HPT PROCODER REGISTER with Nicor Connector	\$ 51.60	51.6
1	RPH5G01S2629 10" HPT PROCODER REGISTER with Nicor Connector	\$ 51.60	51.6
			0
<b>Total From Other Sheets, If Any:</b>			
<b>Subtotal A:</b>			181890

**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
<b>Total From Other Sheets, If Any:</b>			
<b>Subtotal B:</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**

<b>Subtotal C:</b>	0

**Delivery Date:**
**D. Total Purchase Price (A+B+C):**

181890


**CONTRACT PRICING WORKSHEET**  
 For Catalog & Price Sheet Type Purchases

**Contract No.:**
**WM09-20**
**Date Prepared:**

11/10/2020

**This Worksheet is prepared by Contractor and given to End User. If a PO is issued, both documents MUST be faxed to H-GAC @ 713-993-4548. Therefore please type or print legibly.**

<b>Buying Agency:</b>	City of Corpus Christi, Texas	<b>Contractor:</b>	Neptune Technology Group, Inc.
<b>Contact Person:</b>	Joanna Moreno	<b>Prepared By:</b>	Hunter Brown
<b>Phone:</b>	361-826-1649	<b>Phone:</b>	334-415-2032
<b>Fax:</b>		<b>Fax:</b>	
<b>Email:</b>	<a href="mailto:joannam@cctexas.com">joannam@cctexas.com</a>	<b>Email:</b>	hbrown@neptunetg.com
<b>Catalog / Price Sheet Name:</b>	Neptune PL-37 Price Sheet		
<b>General Description of Product:</b>	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	\$ 80.93	80.93
1000	ED2D21RPHG21S2629 3/4" t-10 METER with Nicor Connector	\$ 97.16	97160
250	ED2F21RPHG21S2629 1" t-10 METER with Nicor Connector	\$ 143.76	35940
100	ED2H11RPHG21S2629 1 1/2" t-10 METER with Nicor Connector	\$ 336.96	33696
125	ED2J11RPHG21S2629 2" t-10 METER with Nicor Connector	\$ 430.98	53872.5
100	ET4HRPHG21S2629 1 1/2" HPT with Nicor Connector	\$ 499.56	49956
125	ET4ARPHG21S2629 2" HPT with Nicor Connector	\$ 523.22	65402.5
100	ET4BRPHG21S2629 3" HPT with Nicor Connector	\$ 734.14	73414
50	ET4CRPHG21S2629 4" HPT with Nicor Connector	\$ 957.33	47866.5
20	ET4DRPHG21S2629 6" HPT with Nicor Connector	\$ 1,549.56	30991.2
10	ET4ERPHG21S2629 8" HPT with Nicor Connector	\$ 1,992.30	19923
5	ET4FRHG21S2629 10" HPT with Nicor Connector	\$ 3,436.06	17180.3
<b>Total From Other Sheets, If Any:</b>			
<b>Subtotal A:</b>			525482.93

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

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

<b>Subtotal C:</b>	0
<b>Delivery Date:</b>	<b>D. Total Purchase Price (A+B+C):</b> 525482.93


**CONTRACT PRICING WORKSHEET**  
 For Catalog & Price Sheet Type Purchases

**Contract No.:**
**WM09-20**
**Date Prepared:**

11/10/2020

**This Worksheet is prepared by Contractor and given to End User. If a PO is issued, both documents MUST be faxed to H-GAC @ 713-993-4548. Therefore please type or print legibly.**

<b>Buying Agency:</b>	City of Corpus Christi, Texas	<b>Contractor:</b>	Neptune Technology Group, Inc.
<b>Contact Person:</b>	Joanna Moreno	<b>Prepared By:</b>	Hunter Brown
<b>Phone:</b>	361-826-1649	<b>Phone:</b>	334-415-2032
<b>Fax:</b>		<b>Fax:</b>	
<b>Email:</b>	<a href="mailto:joannam@cctexas.com">joannam@cctexas.com</a>	<b>Email:</b>	hbrown@neptunetg.com

<b>Catalog / Price Sheet Name:</b>	Neptune PL-37 Price Sheet
<b>General Description of Product:</b>	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	\$ 1,651.79	1651.79
1	EC3CRPHG21S2629 4" TRU/FLO Compound Meter with Nicor Connector	\$ 2,225.95	2225.95
3	EC3DRPHG21S2629 6" TRU/FLO Compound Meter with Nicor Connector	\$ 3,738.49	11215.47
1	53120-000 2" Bronze Strainer	\$ 331.00	331
4	53107-000 3" Bronze Strainer	\$ 588.00	2352
5	53107-100 4" Bronze Strainer	\$ 710.20	3551
4	.52000-201 6" Bronze Strainer	\$ 1,196.53	4786.12
3	52000-304 8" Bronze Strainer	\$ 2,185.31	6555.93
3	52000-402 10" Bronze Strainer	\$ 3,663.20	10989.6
			0
			0
<b>Total From Other Sheets, If Any:</b>			
<b>Subtotal A:</b>			43658.86

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

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

<b>Subtotal C:</b>	0

<b>Delivery Date:</b>	<b>D. Total Purchase Price (A+B+C):</b>	43658.86
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**Contract  
No.:**

**Date  
Prepared:**

**This Worksheet is prepared by Contractor and given to End User. If a PO is issued, both documents MUST be faxed to H-GAC @ 713-993-4548. Therefore please type or print legibly.**

<b>Catalog / Price Sheet Name:</b>	Neptune PL-37 Price Sheet
<b>General Description of Product:</b>	Water Meters (UME & Misc.)

Quan	Description	Unit Pr	Total
10	12482-002 Installation Kit	\$ 3.50	35
2000	.9106-001 Register Seal Pins	\$ 0.22	440
20	13761-021S2629 2" HPT UME with Nicor Connector	\$ 371.28	7425.6
10	13761-121S2629 3" HPT UME with Nicor Connector	\$ 556.92	5569.2
5	13761-221S2629 4" HPT UME with Nicor Connector	\$ 742.56	3712.8
5	13761-321S2629 6" HPT UME with Nicor Connector	\$ 1,113.84	5569.2
5	13761-421S2629 8" HPT UME with Nicor Connector	\$ 1,485.12	7425.6
5	13761-521S2629 10" HPT UME with Nicor Connector	\$ 1,856.40	9282
			0
			0
			0
			0
Total From Other Sheets, If Any:			
Subtotal A:			39459.4

Quan	Description	Unit Pr	Total
			0
			0
			0
			0
Total From Other Sheets, If Any:			
Subtotal B:			0
<b>Check:</b> 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%

<b>Subtotal C:</b>	0

**Delivery Date:**

**D. Total Purchase Price (A+B+C):**

39459.4


**CONTRACT PRICING WORKSHEET**  
 For Catalog & Price Sheet Type Purchases

**Contract No.:**
**WM09-20**
**Date Prepared:**

11/10/2020

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<b>Buying Agency:</b>	City of Corpus Christi, Texas	<b>Contractor:</b>	Neptune Technology Group, Inc.
<b>Contact Person:</b>	Joanna Moreno	<b>Prepared By:</b>	Hunter Brown
<b>Phone:</b>	361-826-1649	<b>Phone:</b>	334-415-2032
<b>Fax:</b>		<b>Fax:</b>	
<b>Email:</b>	<a href="mailto:joannam@cctexas.com">joannam@cctexas.com</a>	<b>Email:</b>	hbrown@neptunetg.com
<b>Catalog / Price Sheet Name:</b>	Neptune PL-37 Price Sheet		
<b>General Description of Product:</b>	Water Meters (Mach10 & Protectus)		

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

Quan	Description	Unit Pr	Total
			0
1	EU1D1G1S2629 3/4" SL Mach 10 Meter with Nicor Connector	\$ 160.00	160
1	EU1F1G1S2629 1" Mach 10 Meter with Nicor Connector	\$ 197.60	197.6
1	EU2B1G1S2629 1 1/2" Mach 10 Meter with Nicor Connector	\$ 485.00	485
1	EU2F1G1S2629 2" Mach 10 Meter with Nicor Connector	\$ 520.00	520
1	EU3A1G1S2629 3" Mach10 Meter with Nicor Connector	\$ 850.00	850
1	EU3C1G1S2629 4" Mach 10 Meter with Nicor Connector	\$ 1,300.00	1300
1	EU3E1G1S2629 6" Mach 10 Meter with Nicor Connector	\$ 2,600.00	2600
1	EP4D1RPHG21S2629 6" HP Protectus III Meter with Nicor Connectors	\$ 6,000.00	6000
1	EP4E1RPHG21S2629 8" HP Protectus III Meter with Nicor Connectors	\$ 7,800.00	7800
			0
			0
<b>Total From Other Sheets, If Any:</b>			
<b>Subtotal A:</b>			19912.6

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

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

<b>Subtotal C:</b>	0
<b>Delivery Date:</b>	<b>D. Total Purchase Price (A+B+C):</b> 19912.6

## ATTACHMENT C- INSURANCE REQUIREMENTS

### I. CONTRACTOR'S LIABILITY INSURANCE

- A. Contractor must not commence work under this agreement until all insurance required has been obtained and such insurance has been approved by the City. Contractor must not allow any subcontractor Agency to commence work until all similar insurance required of any subcontractor Agency has been obtained.
- B. Contractor must furnish to the City's Risk Manager and Contract Administer one (1) copy of Certificates of Insurance (COI) with applicable policy endorsements showing the following minimum coverage by an insurance company(s) acceptable to the City's Risk Manager. The City must be listed as an additional insured on the General liability and Auto Liability policies **by endorsement**, and a waiver of subrogation is required on all applicable policies. **Endorsements** must be provided with COI. Project name and or number must be listed in Description Box of COI.

TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE
<b>30-written day notice of cancellation, required on all certificates or by applicable policy endorsements</b>	<b>Bodily Injury and Property Damage</b> Per occurrence - aggregate
Commercial General Liability Including: 1. Commercial Broad Form 2. Premises – Operations 3. Products/ Completed Operations 4. Contractual Liability 5. Independent Contractors 6. Personal Injury- Advertising Injury	\$1,000,000 Per Occurrence
AUTO LIABILITY (including) 1. Owned 2. Hired and Non-Owned 3. Rented/Leased	\$500,000 Combined Single Limit
WORKERS' COMPENSATION	Statutory
EMPLOYER'S LIABILITY	\$500,000 /\$500,000 /\$500,000

- C. In the event of accidents of any kind related to this agreement, Contractor must furnish the Risk Manager with copies of all reports of any accidents within 10 days of the accident.



## II. ADDITIONAL REQUIREMENTS

- A. Applicable for paid employees, Contractor must obtain workers' compensation coverage through a licensed insurance company. The coverage must be written on a policy and endorsements approved by the Texas Department of Insurance. The workers' compensation coverage provided must be in an amount sufficient to assure that all workers' compensation obligations incurred by the Contractor will be promptly met.
- B. Contractor shall obtain and maintain in full force and effect for the duration of this Contract, and any extension hereof, at Contractor's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of no less than A-VII.
- C. Contractor shall be required to submit a copy of the replacement certificate of insurance to City at the address provided below within 10 days of the requested change. Contractor shall pay any costs incurred resulting from said changes. All notices under this Article shall be given to City at the following address:

City of Corpus Christi

Attn: Risk Manager

P.O. Box 9277

Corpus Christi, TX 78469-9277

- D. Contractor agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions:
- List the City and its officers, officials, employees, volunteers, and elected representatives as additional insured by endorsement, as respects operations, completed operation and activities of, or on behalf of, the named insured performed under contract with the City, with the exception of the workers' compensation policy;
  - Provide for an endorsement that the "other insurance" clause shall not apply to the City of Corpus Christi where the City is an additional insured shown on the policy;
  - Workers' compensation and employers' liability policies will provide a waiver of subrogation in favor of the City; and
  - Provide thirty (30) calendar days advance written notice directly to City of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance written notice for nonpayment of premium.
- E. Within five (5) calendar days of a suspension, cancellation, or non-renewal of coverage, Contractor shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Contractor's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this contract.



- F. In addition to any other remedies the City may have upon Contractor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Contractor to remove the exhibit hereunder, and/or withhold any payment(s) if any, which become due to Contractor hereunder until Contractor demonstrates compliance with the requirements hereof.
- G. Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractor's performance of the work covered under this agreement.
- H. It is agreed that Contractor's insurance shall be deemed primary and non-contributory with respect to any insurance or self-insurance carried by the City of Corpus Christi for liability arising out of operations under this agreement.
- I. It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this agreement.

**Bond Requirements:**

No bonds are required, therefore, Section 5 Insurance; Bonds subsection 5(B), is hereby void.

2020 Insurance Requirements

Ins. Req. Exhibit 4-B

Contracts for General Services – Services Performed Onsite

06/08/2020 Risk Management – Legal Dept..

## **Attachment D: Warranty Requirements**

Manufacturer's Warranty (See Attachments). Exhibit D

## Exhibit D

## Attachment D: Warranty Requirements

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

**ARRB®**  
UTILITY  
MANAGEMENT  
SYSTEMS™

## 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) **Malincaise.** The no-lead high copper alloy or Brass malincaise 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 VII), 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 rotating 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 rotating 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.

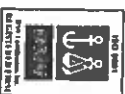
(e) **Meter Accuracy for HP Turbine and TRU/FLO.** The HP Turbine and TRU/FLO Compound Cold Water Meters will perform, for a period of one (1) year from the Date of Shipment, to American Water Works Association ("AWWA") accuracy standards for new water meters.

SIZE	EXTENDED LOW FLOW ACCURACY	NEW METER ACCURACY	REPAIRED METER ACCURACY
3/8 & 1/2" x 3/4"	1/2 US gpm @ 95% 5 years or 500,000 gallons	500,000 gallons	1,500,000 gallons
3/4"	1/2 US gpm @ 95% 5 years or 750,000 gallons	750,000 gallons	2,250,000 gallons
1"	3/4 US gpm @ 95% 5 years or 1,000,000 gallons	1,000,000 gallons	3,000,000 gallons
1 1/2"	1 US gpm @ 95% 2 years or 1,500,000 gallons	1,500,000 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

W-METER 09.11



**NEPTUNE**  
TECHNOLOGY GROUP INC.



## Exhibit D

**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.

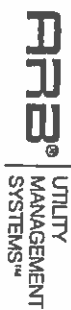
NEPTUNE'S LIABILITY WITH RESPECT TO BREACHES OF THE FOREGOING LIMITED WARRANTY SHALL BE LIMITED AS STATED HEREIN. NEPTUNE'S LIABILITY SHALL IN NO EVENT EXCEED THE PURCHASE PRICE. NEPTUNE SHALL NOT BE SUBJECT TO AND DISCLAIMS THE FOLLOWING: (1) ANY OTHER OBLIGATIONS OR LIABILITIES ARISING OUT OF BREACH 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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## Exhibit D

# 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 THEREO; AND (3) ALL CONSEQUENTIAL, INCIDENTAL, SPECIAL, MULTIPLE, EXEMPLARY, AND PUNITIVE DAMAGES WHATSOEVER.

W ENCODER 08.09



## Exhibit D

# Encoder Compatibility Guarantee

**ARRB®**  
UTILITY  
MANAGEMENT  
SYSTEMS™

**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 Profheader RF, Advantage Probe, R900®, E-Coder/R900®, 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 Profheader 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 Profheader 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/R900 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 Profheader RF, Advantage Probe, R900®, E-Coder/R900®, 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 Profheader 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, Tallapoosa, 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.

W/ ENCODER 06/09

