



ADDENDUM NUMBER 1
TO THE CONTRACT DOCUMENTS

Date: February 6, 2018
CH2M HILL Project No.: 692006

for the
2018 ADAMS WATER TREATMENT PLANT IMPROVEMENTS PROJECTS
To All Plan Holders:

The following changes, additions, and/or deletions are hereby made part of the Contract Documents for the 2018 ADAMS WATER TREATMENT PLANT IMPROVEMENTS PROJECT, dated January 2018, as fully and completely as if the same set forth fully therein:

The following provides a summary of questions/comments and clarifications.

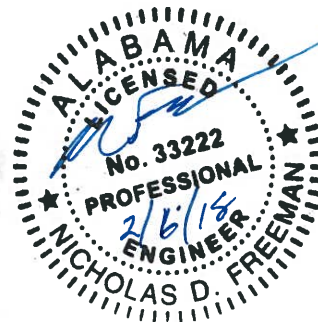
Specifications

1. REMOVE and REPLACE the Specification Sections listed below with Specification Sections attached to this addendum.
 - A. 00 41 13 Proposal
 - B. 00 73 00 Supplementary Conditions
 - C. 44 43 34 Filter Underdrain System Supplement 1- Dated 2/1/2018

CH2M HILL

A handwritten signature in blue ink, appearing to read 'N. Freeman', written over a horizontal line.

Nicholas D Freeman, P.E.



PROPOSAL

To: The City of Alexander City, Alabama
 Address: 4 Court Square Alexander City, AL 35010
 Project Title: 2018 Adams Water Treatment Plant Improvements Project
 CH2M HILL
 Project No. 692006

Bidder's representative to contact for additional information on this Proposal:

Name: _____

Telephone: _____

Licensed, Class _____, Alabama Contractor No.: _____

BIDDER'S DECLARATION AND UNDERSTANDING

The undersigned, hereinafter called the Bidder, declares that the only persons or parties interested in this Proposal are those named herein; that this Proposal is, in all respects, fair and without fraud; that it is made without collusion with any official of the Owner, and that the Proposal is made without any connection or collusion with any person submitting another Proposal on this Contract.

The Bidder further declares that he has carefully examined the Contract Documents for the construction of the Project; that he has personally inspected the jobsite; that he has satisfied himself as to the quantities involved, including materials and equipment, and as to the conditions of work involved, including the fact that the description of the quantities of work and materials, as specified herein, is brief and is intended only to indicate the general nature of the work and to identify the said quantities with the detailed requirements of the Contract Documents; and that he has satisfied himself that this Proposal is made according to the provisions and under the terms of the Contract Documents, which Documents are hereby made a part of this Proposal, as if set forth fully herein.

The Bidder further acknowledges that he has satisfied himself as to the nature and location of the work, the general and local conditions, particularly those bearing upon access to the jobsite; rights-of-way and temporary construction limits; the requirements for disposal, handling and storage of materials; availability of labor, water, electric power, and roads; and uncertainties of weather, river stages, or similar physical conditions at the site; the conformation and conditions of the ground; the character of equipment and facilities needed preliminary to and during the prosecution of the work and all other matters which can in any way affect the work or the cost thereof under this Contract.

The Bidder further acknowledges that he has satisfied himself as to the character, quality, and quantity of surface and subsurface materials to be encountered from his inspection of the site and from reviewing any available records or exploratory work furnished by the Owner or included in these Contract Documents. **The Bidder acknowledges that failure by the successful Bidder to acquaint himself with the physical conditions of the site and all the available information will not relieve him from responsibility for properly estimating the difficulty or cost of successfully performing the work.**

The Bidder warrants that as a result of his examination and investigation of all the aforesaid data that he can perform the work in a good and workmanlike manner and to the satisfaction of the Owner. The Owner assumes no responsibility for any representations made by any of its officers or agents during or prior to the execution of this Contract, unless (1) such representations are expressly stated in the Contract and (2) the Contract expressly provides that the responsibility therefore is assumed by the Owner. The Contract Documents supersede all representations, promises, and statements, oral or written, made in connection with the project by the Owner, its employees, officers, and agents.

The Bidder shall include the following documents and information with this Proposal. If these items are not received with the Proposal, the Proposal will be considered non-responsive:

- A. Bid Security, as specified in the Contract Documents.
- B. Bidder's Certificate of License Number on outside of envelope containing this Proposal.
- C. List of four (4) projects, similar in nature and scope to this Project, that Bidder has completed within last 10 years.

CONTRACT EXECUTION AND BONDS

The Bidder agrees that if this Proposal is accepted, he will, within 14 days from receiving Notice of Award, sign the Contract in the form annexed hereto, and will at that time, deliver to the Owner the Performance Bond, Payment Bond, and Certificates of Insurance required herein, and will, to the extent of his Proposal, furnish all machinery, tools, apparatus, and other means of construction and do the work and furnish all the materials necessary to complete all work as specified or indicated in the Contract Documents.

CERTIFICATES OF INSURANCE

The Bidder further agrees to furnish the Owner, within 14 days from receiving written notice of award, both the Certificate of Insurance furnished by the Owner and the insurance company's own Certificate of Insurance evidencing the types and amounts of insurance required under the Contract Documents. The Bidder shall complete all E-Verify documentation within 14 days from receiving written notice of award.

The Bidder further agrees that the bid price stated herein includes specific consideration for the insurance coverages, including contractual liability, specified in the Contract Documents.

SCHEDULE OF CONSTRUCTION

The Bidder further agrees to begin work within 14 days from the Contract start date specified in the Owner's Notice to Proceed. The Contractor shall be substantially complete (as Substantial Completion is defined in the General Conditions) with the work not later than **330 CONSECUTIVE CALENDAR DAYS** from the date specified in the Owner's Notice to Proceed and shall reach final completion within **365 CONSECUTIVE CALENDAR DAYS** from the Contract start date specified in the Owner's Notice to Proceed.

The Bidder agrees to base his Proposal and construction schedules on these completion times.

LIQUIDATED DAMAGES

The Bidder agrees to accept the Liquidated Damages set forth in Section 00 52 13, Contract, for each consecutive calendar day beyond the Contract Time required to complete the Project.

ADDENDA

The Bidder hereby acknowledges that he has received Addenda Nos. _____, _____, _____, _____, _____, _____, _____, _____, _____, _____, to these Contract Documents (Bidder shall insert No. of each Addendum received) and agrees that all addenda issued are hereby made part of the Contract Documents, and the Bidder further agrees that his Bid includes all impacts resulting from said addenda.

SALES AND USE TAXES

The Bidder agrees that all applicable sales and use taxes are included in the stated bid prices for the work as applicable (refer to the Instructions to Bidders).

BASIS OF AWARD

The Bidder acknowledges that the Award of Contract shall be made as set forth in Article 15, Basis of Award, of the Instruction to Bidders, to the lowest responsible, responsive bidder as determined in its sole discretion by the Owner.

UNIT PRICE ITEMS

The Bidder hereby proposes to accept as full payment for the work proposed herein the amount computed under the provisions of the Contract Documents and based on the following unit price amounts, it being expressly understood that the unit prices are independent of exact quantities involved. Bidder agrees that the unit prices represent a true measure of all labor and materials required to complete all WORK, including overhead and profit along with sales, consumer, and use tax for each lump sum item in these Bidding Documents. See also Section 01 29 00, Payment Procedures, for information regarding lump sum items.

OWNER SELECTED PICS SUPPLIER:

The Owner has selected suppliers for the equipment and/or service providers as listed below:

Process, Instrumentation, and Control Systems - The Owner has pre-negotiated the price with the PICs supplier. The Amount shown below is for all labor, equipment, or other costs associated with that portion of the Work.

The prices below include manufacture, delivery, startup, and training associated with equipment listed in corresponding specifications. Coordinate with equipment supplier for any items specifically excluded from supplier's scope of work. See also Section 01 31 13, Project Coordination.

The Lump Sum Base Bid Amount SHALL include the amounts shown below.

Section Number	Description	Manufacturer/Supplier	Negotiated Amount
03 31 13	Instrumentation and Control for Process Systems	Revere	\$151,902

LUMP SUM BASE BID

The Bidder hereby proposes to accept as full payment for completion of the Project the amounts computed under the provisions of the Contract Documents and based on the following lump sum amount, subject to additions and deletions only as set forth in these Contract Documents. The bidder agrees that the lump sum prices represent a true measure of the labor and materials required to perform the work, including all allowances for overhead and profit for each type of unit of work called for in the Contract Documents. The Lump Sum (LS) shall be shown in both figures and words. In case of discrepancy, the amount in the words shall govern.

The Bidder acknowledges that the Lump Sum amount includes the amounts for Unit Prices as listed.

BID PROPOSAL
2018 ADAMS WATER TREATMENT PLANT IMPROVEMENTS PROJECT

	DESCRIPTION	UNIT	QTY	UNIT PRICE	TOTAL AMOUNT (\$)
1	Mobilization, Demobilization, Submittals, and Permits	LS	1		
2	New Lime Slurry and Hydrofluorosilicic Acid Chemical Storage, Feed Systems, and Secondary Containment Area.	LS	1		
3	New Poly/Othrophosphate Chemical Storage and Feed system	LS	1		
4	New Sodium Hypochlorite Feed System	LS	1		
5	New Filter #5 Components and Expansion Joint Repair	LS	1		
6	New Powdered Activated Carbon Storage and Feed System	LS	1		
7	SCADA Upgrades				\$151,902
8	Demolition of Existing Bulk Chemical Storage Area and Chemical Pump room	LS	1		
9	Excavation	CY	500		
10	Backfill	CY	500		
11	Site Restoration	LS	1		
12	Record Drawings	LS	1		
13	Owner's Allowance				\$50,000
GRAND TOTAL OF BID					\$

The bidder agrees to accept as full payment for the lump sum work proposed under this Project, as herein specified and as shown on the Drawings the following amount:

_____ DOLLARS

And _____ CENTS

\$ _____

OWNER-SELECTED EQUIPMENT/SUPPLIER

All Owner-Selected Equipment/Supplier items shall be bid according to the following:

The product(s) noted as “(A)” selection for each item of equipment listed in the following Owner-Selected Equipment/Supplier Schedule has been designated by the Owner for use in the Project. Where more than one product is noted as (A), Bidder must circle the item on which the bid is based. The Bidder may indicate substitute equipment/supplier either by circling a named (B), (C), etc., item or by writing in and circling a substitute, and writing in the amount of deduction for the substitute equipment/supplier.

The prior naming of substitute equipment/suppliers is based on a belief that the substitute should be able to furnish “equal” equipment/service as that specified, although it may not be the supplier’s standard. Should the circled substitute, or circled write-in substitute be disallowed by the Owner as “not equal” or “not desired,” then the Bidders shall supply the circled (A) item. If no substitute is indicated, the Bidder must supply the circled (A) item. Should Bidder fail to circle one, or circle more than one, then Bid will be deemed by Owner to be based upon the first-listed equipment/supplier, and Bidder, if awarded the Contract, shall provide same.

The Bidder must supply a base bid for the Owner-Selected Equipment/Supplier items. The bidder may supply a deductive cost from the base bid for at least one of the products noted as (B), (C), (D), etc. This amount will be deducted from the base bid if the Owner in its sole discretion determines that the acceptance of the substitute product is in its own best interest.

Substitute equipment/suppliers will generally be deemed equal provided the “equal” product is equivalent to or better than the product named and described in the Specifications in form, function, performance, reliability, quality, and general configuration. Determination of equality in reference to the project design requirements will be made solely by the Owner. The Owner in its sole discretion may determine any substitute “not desired” and reject said substitute.

Additional substitutes will not be considered after receipt of the Bidder’s Proposal.

Design of this project is based upon the manufacturer's equipment or product noted as the "A" item in the schedule. Should a Bidder propose furnishing substitute equipment, he shall comply with the following:

In addition to the deduct (if any) offered, the Bidder SHALL REIMBURSE CH2M HILL (THE "ENGINEER") THROUGH THE OWNER FOR ANY ASSOCIATED REDESIGN AND/OR CONSTRUCTION DRAWINGS by any DIMENSIONAL, MECHANICAL, ELECTRICAL, AND STRUCTURAL CHANGES AND/OR REQUIREMENTS FOR THE SUBSTITUTE'S USE. He, therefore, shall include in his bid for such substitute equipment/supplier mechanical, architectural, structural, electrical, and engineering redesign costs associated with that substitute equipment, material, or supplier. The bid for such substitute equipment/supplier shall also include any paid up licenses necessary for the use of the equipment if required by the manufacturer.

Reimbursement for engineering redesign shall be based on the Engineer's salary costs times a multiplier of 2.15. Salary costs are defined as raw labor costs plus salary overheads that are defined as a percentage of wages or salaries of employees working, and premiums measured by or applicable at the time of performance to such wages or salaries such as, but not limited to, worker's compensation, insurance, Social Security, state and federal unemployment insurance, salary continuation insurance, pension plan costs, and prorated allowances for vacation, sick pay, and holiday pay.

MAJOR EQUIPMENT SUBMITTAL REQUIREMENTS FOR NAMED SUBSTITUTE EQUIPMENT/SUPPLIER. In order that the Owner may determine if the proposed named substitute shall be allowed for the specified and named (A) equipment/supplier, the information below shall be submitted if requested by the Owner for each named substitute entered within 7 days of Owner's request. This request will only be made after receipt of Proposal. This submittal requirement does not apply to unnamed substitute equipment/suppliers, the requirements for which are outlined below.

THIS INFORMATION MUST BE SUBMITTED WITHIN 7 DAYS OF OWNER'S REQUEST:

- A. Dimensional and weight information on components and assemblies.
- B. Catalog information and cuts.
- C. List of requested exceptions to the Contract Documents.
- D. Any additional information requested by the Owner.

MAJOR EQUIPMENT SUBMITTAL REQUIREMENTS FOR UNNAMED SUBSTITUTE (WRITE-IN) EQUIPMENT/SUPPLIERS. In order that the Owner may determine if the proposed, unnamed substitute write-in shall be allowed for the specified and named (A) equipment/supplier, the information below shall be SUBMITTED WITH THIS PROPOSAL. This submittal is not required for named substitute equipment/suppliers listed as (B), (C), etc.

THE FOLLOWING MUST BE SUBMITTED WITH THE PROPOSAL:

- A. List of any and all exceptions to the Contract Documents.
- B. Dimensional and weight information on components and assemblies.
- C. Catalog information and cuts.
- D. Manufacturer’s specifications, including materials description and paint system.
- E. Perform data and pump curves, as applicable.
- F. Horsepower of all motors supplied.
- G. Outside utility requirements for each component, such as water, power, air, etc.
- H. Addresses and phone numbers of nearest service center and a listing of the manufacturers or manufacturer’s representatives’ services available at this location.
- I. Addresses and phone numbers for the nearest parts warehouse capable of providing full parts replacement and/or repair service.
- J. A list of the three most recent installations where similar equipment by the manufacturer or manufacturer’s representative is currently in service; include contact name, telephone number, mailing address, and the names of the Engineer, Owner, and Installation Contractor; if three installations do not exist, the list shall include all that do exist, if any.
- K. Description of structural, electrical, mechanical, and all other changes or modifications necessary to adapt the equipment or system to the arrangement shown and/or functions described on the Drawings and in the Technical Specifications.
- L. Any additional information requested by the Owner.

<u>Section Number</u>	<u>Description</u>		<u>Manufacturer/Supplier</u>	<u>Amount of Deduct for Substitute Equipment/Supplier</u>
43 40 01	<u>Polyethylene Storage Tank</u>	(A)	<u>Poly Processing Company</u>	\$ XXXXXX
		(B)	_____	\$ _____
43 40 10	<u>Lime Slurry Chemical Storage and Feed System</u>	(A)	<u>Cal-Flo</u>	\$ XXXXXX
		(B)	_____	\$ _____

<u>Section Number</u>	<u>Description</u>		<u>Manufacturer/Supplier</u>	<u>Amount of Deduct for Substitute Equipment/Supplier</u>
43 40 20	Powdered Activated Carbon Storage and Feed System Supplier	(A)	Chemco Systems	\$ XXXXXX
		(A)	Norit Americas, Inc.	\$ _____
44 43 34	Filter Underdrain System	(A)	Leopold	\$ XXXXXX
44 44 13.01	Chemical Metering Pumps	(A)	Pulsafeeder, Inc.	\$ XXXXXX
		(A)	LMI	\$ _____
		(A)	ProMinent	\$ _____
		(B)	_____	\$ _____

EXPERIENCE OF BIDDER

The Bidder shall demonstrate his related experience by listing previously completed projects of similar nature and scope. In considering the Proposal, the Owner shall, in its own discretion, determine, in such manner as it deems appropriate, whether the projects listed are of similar nature and scope. In order to meet the requirements for experience, the Contractor shall have successfully completed at least four (4) projects of similar nature and scope within the last 10 years.

The Contractor shall NOT be allowed a separate credit for the experience of any of its employees considered separately and apart from the experience of the Contractor itself. For work performed by Subcontractors to the Contractor, work must have been performed on a project for the Contractor. In the event the following form does not allow sufficient space to adequately provide the required information, the Bidder shall include said information by attachment to this Proposal.

- 1.) Project Name _____
Project Amount \$ _____
Owner _____
Phone Number _____
Contract Person _____
Completion Date _____

- 2.) Project Name _____
 Project Amount \$ _____
 Owner _____
 Phone Number _____
 Contract Person _____
 Completion Date _____
- 3.) Project Name _____
 Project Amount \$ _____
 Owner _____
 Phone Number _____
 Contract Person _____
 Completion Date _____
- 4.) Project Name _____
 Project Amount \$ _____
 Owner _____
 Phone Number _____
 Contract Person _____
 Completion Date _____

The Bidder further certifies that if his bid is accepted, the following subcontracting firms or business will, subject to the approval of the Owner, be awarded subcontracts for portions of the work in the event the Bidder is awarded the Contract. The Bidder must identify any and all subcontractors that it plans to use in preparing this Proposal and that it will rely upon if awarded this Contract by the Owner based upon the Owner's consideration of this Proposal. The Bidder acknowledges that the Owner, in its sole and exclusive discretion, can reject the use of any subcontractor by the Bidder.

Name	Type of Work		
Street	City	State	Zip

Name	Type of Work		
Street	City	State	Zip

Name		Type of Work	
Street	City	State	Zip

Name		Type of Work	
Street	City	State	Zip

SURETY

If the Bidder is awarded a construction Contract on this Proposal, the Surety who provides the Performance Bond and Payment Bond will be _____

_____ whose address is

Street	City	State	Zip
--------	------	-------	-----

BIDDER

The name of the Bidder submitting this Proposal is: _____

_____ doing business at

Street	City	State	Zip
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which is the address to which all communications concerned with this Proposal and with the Contract shall be sent.

The names of the principal officers of the corporation, the partners of the partnership, the members of the limited liability corporation (LLC) submitting this Proposal, or of all persons otherwise interested in this Proposal as principals, are as follows:

_____	_____
_____	_____
_____	_____

If Sole Proprietor or Partnership

IN WITNESS hereto the undersigned has set his (its) hand this
_____ day of _____, _____.

Name of Bidder

Signature of Bidder

Print Name: _____

WITNESS

By: _____

Print Name: _____

If Corporation

IN WITNESS WHEREOF the undersigned corporation has caused this instrument to be executed and its seal affixed by its duly authorized officers this

_____ day of _____, _____.

(SEAL)

Name of Corporation

By: _____

Print Name: _____

As its: _____

WITNESS

By: _____

Print Name: _____

As its: _____

If Limited Liability Company

IN WITNESS WHEREOF, the undersigned limited liability company has caused this instrument to be executed by its duly authorized officers this ___ day of _____, ____.

Name of Limited Liability Company

By: _____

Print Name: _____

As its: _____

WITNESS

By: _____

Print Name: _____

As its: _____

END OF SECTION

SUPPLEMENTARY CONDITIONS

These Supplementary Conditions amend or supplement the Standard General Conditions of the Construction Contract as indicated below. All provisions that are not so amended or supplemented remain in full force and effect.

The terms used in these Supplementary Conditions have the meanings stated in the General Conditions. Additional terms used in these Supplementary Conditions have the meanings stated below, which are applicable to both the singular and plural thereof. The address system used in these Supplementary Conditions is the same as the address system used in the General Conditions, with the prefix "SC" added thereto.

SC-1.01. Add the following language at the end of Paragraph 1.01.A.40:

Substantial Completion is further defined as (i) that degree of completion of the Project's operating facilities or systems sufficient to provide Owner the full time, uninterrupted, and continuous beneficial operation of the Work; and (ii) required functional, performance and acceptance, or startup testing has been successfully demonstrated for components, devices, equipment, and instrumentation and control to the satisfaction of Engineer in accordance with the requirements of the Specifications.

SC-2.01 Delete Paragraph 2.01.B. and Paragraph 2.01.C. in their entirety and insert the following in their place:

2.01.B. Evidence of Contractor's Insurance: When Contractor delivers the executed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner copies of the policies of insurance (including all endorsements, and identification of applicable self-insured retentions and deductibles) required to be provided by Contractor in Article 6. Contractor may block out (redact) any confidential premium or pricing information contained in any policy or endorsement furnished under this provision.

2.01.C. Evidence of Owner's Insurance: After receipt from Contractor of the executed counterparts of the Agreement and all required bonds and insurance documentation, Owner shall promptly deliver to Contractor copies of the policies of insurance to be provided by Owner under Article 6 (if any). Owner may block out (redact) any confidential premium or pricing information contained in any policy or endorsement furnished under this provision.

SC-2.02. Delete Paragraph 2.02.A. in its entirety and insert the following new paragraph in its place:

2.02.A. Owner shall furnish to Contractor **2** copies of conformed Contract Documents incorporating and integrating all Addenda and any amendments negotiated prior to the Effective Date of the Contract (including one fully executed counterpart of the Agreement) and one copy in electronic portable document format (PDF). Additional printed copies of the conformed Contract Documents will be furnished upon request at the cost of reproduction.

2.03. Add the following new paragraph immediately after Paragraph 2.03.A:

2.03.B. Prior to starting Work and in accordance with the Code of Alabama 39-2-14, nonresident Contractor is required to register and deposit 5 percent of the Contract amount with the Alabama Department of Revenue. Within 30 days after registration, nonresident Contractor shall file statement with Department of Revenue itemizing machinery, materials, supplies, and equipment that will be on hand at time Contract begins where such tangible property has been brought, shipped, or transported from outside the State of Alabama upon which neither use taxes or ad valorem taxes have been paid and shall pay tax due at time of filing and there after shall report and pay tax as required by Commissioner of Revenue.

SC-3.01. Delete Paragraph 3.01.C in its entirety.

SC-3.01. Add the following new paragraph immediately after Paragraph 3.01.E:

3.01.F. Sections of Division 01, General Requirements, govern the execution of the Work of all sections of the Specifications.

SC-4.01. Delete the first two sentences of Paragraph 4.01.A and replace it with the following:

The Contract Times will commence to run on the day indicated in the Notice to Proceed. A Notice to Proceed may be given at any time within 15 days after the Effective Date of the Agreement.

SC-4.01. Delete the third sentence of Paragraph 4.01.A in its entirety.

SC-5.02. Add the following language to the end of Paragraph 5.02.A.1:

Contractor shall not enter upon nor use property not under Owner control until appropriate easements have been executed and a copy is on file at the Site.

SC-5.03. Delete Paragraphs 5.03.A and 5.03.B in their entirety and insert the following in their place:

5.03.A. No reports of explorations or tests of subsurface conditions at or contiguous to the Site, or drawings of physical conditions relating to existing surface or subsurface structures at the Site are known to Owner.

SC-5.06. Delete Paragraph 5.06.A and Paragraph 5.06.B in their entirety and insert the following in their place:

5.06.A. No reports or drawings related to Hazardous Environmental Conditions are known to Owner.

SC-6.02. Add the following new paragraph immediately after Paragraph 6.02.A:

6.02.A.1. Surety and insurance companies from which the bonds and insurance for this Project are purchased shall have an A.M. Best’s rating of no less than A-VII, in addition to other requirements specified herein.

SC-6.03. Add the following new paragraph immediately following Paragraph 6.03.A.4:

6.03.A.5. The limits of liability for the insurance required by Paragraph 6.03 of the General Conditions shall provide coverage for not less than the following amounts or greater where required by Laws and Regulations:

6.03.A.5.a. Workers’ Compensation and related coverages under Paragraph 6.03.A.1 and Paragraph 6.03.A.3 of the General Conditions:

6.03.A.5.a.1. State: Statutory.

6.03.A.5.a.5. Employer’s Liability or “Stop-Gap”: \$100,000.00

SC-6.03. Add the following new paragraph immediately following Paragraph 6.03.C.8:

6.03.C.9. Contractor’s General Liability under Paragraph 6.03.B. and Paragraph 6.03.C of the General Conditions which shall eliminate the exclusion with respect to property under the care, custody and control of Contractor:

6.03.C.9.a. General Annual Aggregate \$2,000,000.00

6.03.C.9.b. Products - Completed Operations Aggregate \$1,000,000.00

6.03.C.9.c. Personal and Advertising Injury (per person/Organization)	\$1,000,000.00
6.03.C.9.d. Each Occurrence (Bodily Injury and Property Damage)	\$1,000,000.00
6.03.C.9.e. Fire Damage (any one fire)	\$100,000.00
6.03.C.9.f Medical Expenses (any one person)	\$10,000.00
6.03.C.9.e. Property Damage liability insurance will remove the Explosion, Collapse, and Underground coverages exclusion and provide broad form property damage coverage.	

SC-6.03. Add the following new paragraph immediately following Paragraph 6.03.D of the General conditions, providing for Combined Single Limit (bodily injury and property for owned, non-owned, rented, or hired vehicles \$1,000,000.00.

SC-6.03. Add the following new paragraph immediately following Paragraph 6.03.E:

6.03.E.1. Provide Excess or Umbrella Liability insurance providing protection for at least the hazards insured under primary liability policies with the following limits:

a) General Annual Aggregate	\$5,000,000.00
b) Each Occurrence	\$5,000,000.00

SC-6.03. Delete Paragraph

6.03.F in its entirety.

SC-6.03. Add the following language after Paragraph 6.03.G:

6.03.G.1. Additional coverages Contractor shall provide are as follows:

6.03.G.1.a. Owner's and Contractor's Protective Liability (Owner as named insured with Engineer as additional insured) \$1,000,000.00

6.03.G.1.b. Include the following parties or entities as additional insured:

6.03.G.a.1 City of Alexander City.

6.03.G.b.2. CH2M HILL Engineers, Inc.

SC-6.05. Add Paragraphs 6.05.A.14:

6.05.A.14.a. Contractor shall purchase and maintain property insurance upon the Work at the site in the amount of the full replacement cost therefore (subject to such deductible amounts as may be provided in the Supplementary Conditions or required by Laws and Regulations).

6.05.A.14.b. Owner shall provide a written list of names of all known entities to be named as additional insured on the property insurance. Any change or additions to the list shall be given in writing to Contractor at least 7 days prior to that entity performing Work at the site. Additional insured shall at least include all those listed in paragraph 6.03.G of the General Conditions and paragraph 6.03.G of the Supplementary Conditions.

SC-6.05. Add the following language as Paragraph 6.05.A.15:

6.05.A.15. Property insurance furnished under this Contract shall have deductibles no greater than \$5,000.00 for direct physical loss in any one occurrence for sublimits except for earthquake, which shall have a maximum deductible of \$10,000.00.

6.05.B.1 All policies of insurance (and the certificates or other evidence thereof) required to be purchased and maintained by Contractor in accordance with paragraphs in 6.05.A will contain a provision or endorsement that the coverage afforded will not be canceled or materially changed or renewal refused until at least thirty days' prior written notice has been given to Owner and to each other additional insured to whom a certificate of insurance has been issued and will contain waiver provisions in accordance with paragraph 6.06.

SC-6.05. Delete Paragraph 6.05.E of the General Conditions in its entirety and insert the following in its place:

6.05.E. If Owner requests in writing that other special perils be included in the property insurance policies provided under paragraphs 6.05.A or 6.05.B of the General Conditions, Contractor shall, if possible include such insurance, and the cost thereof will be charge to Owner by appropriate change Order or Written Amendment. Prior to commencement of the Work at the Site, Contractor shall in writing advise Owner whether or not such other insurance has been procured by Contractor.

SC-6.06.A Delete the last sentence of paragraph 6.06.A of the General Conditions in its entirety and insert the following in its place:

None of the above waivers shall extend to the rights that nay party making such waiver may have to the proceeds of insurance held by Contractor as trustee or otherwise payable under any policy so issued.

SC-6.07.A Delete paragraph 6.07.A of the general conditions in its entirety and insert the following in its place:

6.07.A Any insured loss under the policies of insurance required by paragraph 6.05 will be adjusted with Contractor and made payable to Contractor as fiduciary for the insured, as their interest may appear, subject to the requirements of any applicable mortgage clause and of paragraph 6.07.B. Contractor shall deposit in a separate account any money so received, and shall distribute it in accordance with such agreement as the parties in interest may reach. If no other special agreement is reached the damaged Work shall be repaired or replaced, the moneys so received applied on account thereof and the Work and the cost thereof covered by an appropriate Change Order or Written Amendment.

SC-6.07.B Delete paragraph 6.07.B of the General Conditions in its entirety and insert the following in its place:

6.07.B. Contractor as fiduciary shall have power to adjust and settle any loss with the insurers unless one of the parties in interest shall object in writing within 15 days after the occurrence of loss to Contractor's exercise of this power. If such objection be made, Contractor as fiduciary shall make settlement with the insurers in accordance with such agreement as the parties in interest may reach. If no such agreement among the parties in interest is reached, Contractor as fiduciary shall adjust and settle the loss with the insurers and, if required in writing by any party in interest, Contractor as fiduciary shall give bond for the proper performance of such duties.

SC-7.02. Add the following new paragraph immediately after Paragraph 7.02.B:

7.02.C. Contractor shall be responsible for the cost of any overtime pay or other expense incurred by the Owner for Engineer's services (including those of the Resident Project Representative, if any), Owner's representative, and construction observation services, occasioned by the performance of Work on Saturday, Sunday, any legal holiday, or as overtime on any regular work day. If Contractor is responsible but does not pay, or if the parties are unable to agree as to the amount owed, then Owner may impose a reasonable set-off against payments due under Article 15.

7.03. Add the following new paragraphs immediately after Paragraph 7.03.C:

7.03.D. Domestic Products:

7.03.D.1. In accordance with Code of Alabama 39-3-1, Contractor agrees to use materials, supplies, and products manufactured, mined, processed, or produced in the United States or its territories, if products are available at reasonable and competitive prices and are not contrary to any sole source specification. If agreement to use domestic products is breached and domestic products are not used, there shall be a downward adjustment in Contract Price equal to any realized savings or benefits to Contractor.

7.03.D.2. In accordance with Code of Alabama 39-3-4, Contractor agrees to use steel produced within the United States when specifications require the use of steel and do not limit its supply to a sole source specification. Owner has right to waive this requirement in the event of national emergency, national strike, or other cause. If agreement to use domestic steel is breached and domestic steel is not used, there shall be a downward adjustment in Contract Price equal to any realized savings or benefits to Contractor.

All submittals, including shop drawings, shall be provided in Electronic PDF in addition to any paper copies which may be required.

SC-8.02. Add the following new paragraph immediately following Paragraph 8.02.B:

8.02.C. Other work anticipated to be performed at the Site by others that is either directly or indirectly related to the scheduled performance of the Work under these Contract Documents is described in Section 01 31 13, Project Coordination.

SC-8.04. Add the following new paragraph immediately after Paragraph 8.03:

SC-8.04. *Claims Between Contractors*

8.04.A. Should Contractor cause damage to the work or property of any other contractor at the Site, or should any claim arising out of Contractor's performance of the Work at the Site be made by any other contractor against Contractor, Owner, Engineer, or the Construction Coordinator, if applicable, Contractor shall (without involving Owner, Engineer, or Construction Coordinator) either i) remedy the damage; ii) agree to compensate the other contractor for remedy of the damages; or iii) remedy the damages and attempt to settle with such other contractor by agreement, or to otherwise resolve the dispute by arbitration or at law.

8.04.B. Contractor shall, to the fullest extent permitted by Laws and Regulations, indemnify and hold harmless Owner, Engineer, the Construction Coordinator (if applicable) and the officers, directors, members, partners, employees, agents, and other consultants and subcontractors of each and any of them from and against all Claims, costs, losses and damages (including, but not limited to, fees and charges of engineers, architects, attorneys, and other professionals and court and arbitration costs) arising directly, indirectly or consequentially out of any action, legal or equitable, brought by any other contractor against Owner, Engineer, their officers, directors, members, partners, employees, agents, and other consultants and subcontractors, or the Construction Coordinator (if applicable) to the extent said Claim is based on or arises out of Contractor's performance of the Work. Should another contractor cause damage to the Work or property of Contractor or should the performance of work by any other contractor at the Site give rise to any other Claim, Contractor shall not institute any action, legal or equitable, against Owner, Engineer, or the Construction Coordinator (if applicable) or permit any action against any of them to be maintained and continued in its name or for its benefit in any court or before any arbiter which seeks to impose liability on or to recover damages from Owner, Engineer, or the Construction Coordinator (if applicable) on account of any such damage or Claim.

8.04.C. If Contractor is delayed at any time in performing or furnishing the Work by any act or neglect of another contractor, and Owner and Contractor are unable to agree as to the extent of any adjustment in Contract Times attributable thereto, Contractor may make a Claim for an extension of times in accordance with Article 11. An extension of the Contract Times shall be Contractor's exclusive remedy with respect to Owner, Engineer, and Construction Coordinator (if applicable) for any delay, disruption, interference, or hindrance caused by any other contractor. This paragraph does not prevent recovery from Owner, Engineer, or Construction Coordinator (if applicable) for activities that are their respective responsibilities.

SC-10.03. Add the following new paragraphs immediately after Paragraph 10.03.A:

10.03.B. Resident Project Representative (RPR) will be furnished by Engineer/Owner. The responsibilities, authority, and limitations of the RPR are limited to those of Engineer in accordance with Paragraph 10.08 and as set forth elsewhere in the Contract Documents and are further limited and described below.

10.03.C. Responsibilities and Authority:

10.03.C.1. Schedules: Review and monitor Progress Schedule, Schedule of Submittals, and Schedule of Values prepared by Contractor and consult with Engineer concerning acceptability.

10.03.C.2. Conferences and Meetings: Conduct or attend meetings with Contractor, such as preconstruction conferences, progress meetings, Work conferences and other Project related meetings.

10.03.C.3. Liaison: (i) Serve as Engineer's liaison with Contractor, working principally through Contractor's authorized representative, and assist in understanding the intent of the Contract Documents; (ii) assist Engineer in serving as Owner's liaison with Contractor when Contractor's operations affect Owner's onsite operations; (iii) assist in obtaining from Owner additional details or information when required for proper execution of the Work.

10.03.C.4. Interpretation of Contract Documents: Inform Engineer when clarifications and interpretations of the Contract Documents are needed and transmit to Contractor clarifications and interpretations as issued by Engineer.

10.03.C.5. Submittals: Receive submittals that are furnished at the Site by Contractor, and notify Engineer of availability for examination. Advise Engineer and Contractor of the commencement of any Work or arrival of materials and equipment at Site, when recognized, requiring a Shop Drawing or Sample if the submittal has not been approved by Engineer.

10.03.C.6. Modifications: Consider and evaluate Contractor's suggestions for modifications in Drawings or Specifications and provide recommendations to Engineer; transmit to Contractor, in writing decisions as issued by Engineer.

10.03.C.7. Review of Work and Rejection of Defective Work: (i) Conduct onsite observations of the Work in progress to assist Engineer in determining if the Work is, in general, proceeding in accordance with the Contract Documents; (ii) inform Engineer and Contractor whenever RPR believes that any Work is defective; (iii) advise Engineer whenever RPR believes that any Work will not produce a completed Project that conforms generally to the Contract Documents or will imperil the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents, or has been damaged or does not meet the requirements of any inspection test, or approval required to be made; and advise Engineer of that part of the Work in progress that RPR believes should be corrected or rejected or uncovered for observation, or requires special testing, inspection, or approval.

10.03.C.8. Inspections, Tests, and System Startups: (i) Verify tests, equipment and systems startups and operating and maintenance training are conducted in the presence of appropriate personnel, and that Contractor maintains adequate records thereof; (ii) observe, record, and report to Engineer appropriate details relative to the test procedures and system startups; and (iii) accompany visiting inspectors representing public or other agencies having jurisdiction over the Project, record the results of these inspections, and report to Engineer.

10.03.C.9. Records: (i) Maintain records for use in preparing Project documentation; (ii) keep a diary or log book recording pertinent Site conditions, activities, decisions and events; (iii) record names, addresses, fax numbers, e-mail addresses, web site locations, and telephone numbers of Contractors, Subcontractors, and major Suppliers of materials and equipment.

10.03.C.10. Reports: (i) Furnish Engineer periodic reports of progress of the Work and of Contractor's compliance with the Progress Schedule and Schedule of Submittals; (ii) immediately notify Engineer of the occurrence of Site accidents, emergencies, acts of God endangering the Work, damage to property by fire or other causes, or the discovery of any Hazardous Environmental Condition; and (iii) assist Engineer in drafting proposed Change Orders, Work Change Directives, and Field Orders; obtain backup material from Contractor as appropriate.

10.03.C.11. Payment Requests: Review Applications for Payment with Contractor for compliance with the established procedure for their submission and forward with recommendations to Engineer, noting particularly the relationship of the payment requested to the Schedule of Values, Work completed, and materials and equipment delivered at the Site but not incorporated in the Work.

10.03.C.12. Certificates, Operation and Maintenance Manuals: During the course of the Work, verify materials and equipment certificates and operation and maintenance manuals and other data required by Specifications to be assembled and furnished by Contractor are applicable to the items actually installed and in accordance with the Contract Documents, and have these documents been delivered to Engineer for review and forwarding to Owner prior to payment for that part of the Work.

10.03.C.13. Completion: (i) Participate in a Substantial Completion inspection; assist in determination of Substantial Completion and the preparation of lists of items to be completed or corrected; (ii) Participate in a final inspection in the company of Engineer, Owner, and Contractor and prepare a final list of items to be completed and deficiencies to be remedied; and (iii) observe whether items on final list have been completed or corrected, and make recommendations to Engineer concerning acceptance.

10.03.D. Limitations of Authority: Resident Project Representative will not:

10.03.D.1. have authority to authorize a deviation from Contract Documents or substitution of materials or equipment, unless authorized by Engineer; or

10.03.D.2. exceed the limitations of Engineer's authority as set forth in Contract Documents; or

10.03.D.3. undertake any of the responsibilities of Contractor, Subcontractors, Suppliers, or Contractor's authorized representative; or

10.03.D.4. advise on, issue directions relative to, or assume control over an aspect of the means, methods, techniques, sequences, or procedures of Contractor's work unless such advice or directions are specifically required by the Contract Documents; or

10.03.D.5. advise on, issue directions regarding, or assume control over safety practices, precautions, and programs in connection with the activities or operations of Owner or Contractor; or

10.03.D.6. participate in specialized field or laboratory tests or inspections conducted offsite by others, except as specifically authorized by Engineer; or

10.03.D.7. accept Shop Drawings or Samples from anyone other than Contractor; or

10.03.D.8. authorize Owner to occupy the Project in whole or in part.

SC-10.08. Add the following new paragraph immediately after Paragraph 10.08.E:

10.08.F. Contractors, Subcontractors, Suppliers, and others on the Project, or their sureties, shall maintain no direct action against Engineer, its officers, employees, affiliated corporations, and subcontractors, for any Claim arising out of, in connection with, or resulting from the engineering services performed. Only the Owner will be the beneficiary of any undertaking by Engineer.

SC-11.04. Add the following new paragraph immediately after Paragraph 11.04.C:

11.04.D. In the event Contractor submits request for additional compensation as a result of a change or differing Site conditions, or as a result of delays, acceleration, or loss of productivity, Owner reserves right, upon written request, to audit and inspect Contractor's books and records relating to the Project. Upon written request for an audit, Contractor shall make its books and records available within 14 days of request. Owner shall specifically designate identity of auditor. As part of audit, Contractor shall make available its books and records relating to the Project, including but not limited to Bidding Documents, cost reports, payroll records, material invoices, subcontracts, purchase orders, daily timesheets, and daily diaries. Audit shall be limited to those cost items which are sought by Contractor in a change order or claim submission to Owner.

SC-12.01. Add the following new paragraph immediately after Paragraph 12.01.C:

12.01.C.1. *Engineer's Decision:* Engineer will render a formal decision in writing within 30 days after receipt of the last submittal of the claimant or the last submittal of the opposing party, if any. Engineer's written decision on such Claim, dispute or other matter will be final and binding upon Owner and Contractor unless within 10 days after issuance of Engineer's written decision, either party appeals the decision by giving the other party and Engineer written notice of request for executive negotiation.

12.01.C.2. *Executive Negotiation:*

12.01.C.2.a. Within 10 days of the delivery of notice of appeal to Engineer's written decision regarding Claim, dispute or other matter, senior representatives of at least Owner and Contractor, having authority to settle the dispute, and Engineer shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, to exchange relevant information and to attempt to resolve the dispute.

12.01.C.2.b. In the event a mutually acceptable decision cannot be reached through executive negotiation within 20 days of the appealing party's notice, or mutually agreeable longer period, or if the party receiving such notice will not meet within 10 days, Owner or Contractor may make a written declaration, delivered to the other party and Engineer, that the executive negotiation is deemed unsuccessful and may initiate further dispute resolution measures in accordance with Article 16.

12.01.C.2.c. If no such dispute resolution procedures have been set forth in Article 16, a written notice of intention to further appeal from Engineer's written decision is delivered by Owner or Contractor to the other and to Engineer within 30 days after the date upon which the executive negotiation has been declared unsuccessful, or within 60 days after Substantial Completion, whichever is later (unless otherwise agreed in writing by Owner and Contractor), to exercise such rights or remedies as the appealing party may have with respect to such Claim, dispute, or other matter in accordance with applicable Laws and Regulations.

SC-13.01. Delete Paragraph 13.01.B.5.c in its entirety and insert the following in its place:

13.01.B.5.c. Construction Equipment and Machinery:

13.01.B.5.c.(1) Rentals of construction equipment and machinery, and the parts thereof in accordance with rental agreements approved by Owner with the advice of Engineer, and the costs of transportation, loading, unloading, assembly, dismantling, and removal thereof. Such costs shall be in accordance with the terms of said rental agreements. The rental of any such equipment, machinery, or parts shall cease when the use thereof is no longer necessary for the Work.

13.01.B.5.c.(2) Costs for equipment and machinery owned by Contractor will be paid at a rate shown for such equipment in the Rental Rate Blue Book published by Equipment Watch. An hourly rate will be computed by dividing the monthly rates by 176. These computed rates will include all operating costs. Costs will include the time the equipment or machinery is in use on the changed Work and the costs of transportation, loading, unloading, assembly, dismantling, and removal when directly attributable to the changed Work. The cost of such equipment or machinery, or parts thereof, shall cease to accrue when the use thereof is no longer necessary for the changed Work. Equipment or machinery with a value of less than \$1,000 will be considered small tools.

SC-13.01. Add the following language to the end of Paragraph 13.01.B.5.h:

Express and courier services must be approved prior to use.

SC-14.02. Delete Paragraph 14.02.B in its entirety and insert the following in its place:

14.02.B. Contractor shall retain an independent testing laboratory or testing agency and shall be responsible for arranging and shall pay for specified tests, inspections, and approvals required for Owner's and Engineer's acceptance of the Work at the Site except:

14.02.B.1. costs incurred in connection with tests or inspections pursuant to Paragraph 14.02.C shall be paid for as provided in said paragraph; and

14.02.B.2. as otherwise specifically provided in the Contract Documents.

SC-14.02. Add the following language at the end of Paragraph 14.02.D:

Tests required by Contract Documents to be performed by Contractor that require test certificates be submitted to Owner or Engineer for acceptance shall be made by an independent testing laboratory or agency licensed or certified in accordance with Laws and Regulations and applicable state and local statutes. In the event state license or certification is not required, testing laboratories or agencies shall meet the following applicable requirements:

14.02.D.6. Basic requirements of ASTM E329, "Standard Specification for Agencies Engaged in Construction Inspection, Testing, or Special Inspection" as applicable.

14.02.D.7. Calibrate testing equipment at reasonable intervals by devices of accuracy, traceable to the National Institute of Standards and Technology or accepted values of natural physical constants.

SC-15.01. Delete Paragraph 15.01.D.1 in its entirety and insert the following in its place:

15.01.D.1. Twenty days after presentation of the Application for Payment to Owner with Engineer's recommendation, the amount recommended will (subject to the provisions of Paragraph 15.01.E.) become due and when due will be paid by Owner to Contractor.

SC 15.03.B. Add the following new subparagraph to Paragraph 15.03.B:

SC 15.03.B.1. If some or all of the Work has been determined not to be at a point of Substantial Completion and will require re-inspection or re-testing by Engineer, the cost of such re-inspection or re-testing, including the cost of time, travel and living expenses, shall be paid by Contractor to Owner. If Contractor does not pay, or the parties are unable to agree as to the amount owed, then Owner may impose a reasonable set-off against payments due under Article 15.

SC-15.06. Add the following new paragraphs immediately after Paragraph 15.06.A.3:

15.06.A.4. Notice of Completion: In accordance with Code of Alabama 39-1-1, immediately after completion of the Work under these Contract Documents, Contractor shall publish a Notice of Completion in a newspaper of general circulation in the city or county where the Work was performed. Such notice shall be published for a period of 4 successive weeks. No final payment and acceptance will be made on the Work of these Contract Documents until 30 days after completion of Contractor's notice. Submit proof of publication of notice in form of an affidavit of the publisher and a printed copy of the notice. If no newspaper is published in county where the Work is done, notice may be made by posting at courthouse for 30 days.

15.06.A.5. Nonresident Contractor shall submit to Owner proof that all taxes due and payable have been paid prior to final payment as required by the Code of Alabama 39-2-12.

SC-17.02. Add the following new paragraph immediately after Paragraph 17.01.

SC-17.02 Arbitration

SC-17.02.A. All matters subject to final resolution under this Article will be decided by arbitration in accordance with the rules of the State of Alabama, subject to the conditions and limitations of this paragraph. This agreement to arbitrate and any other agreement or consent to arbitrate entered into will be specifically enforceable under the prevailing law of any court having jurisdiction.

SC-17.02.B. The demand for arbitration will be filed in writing with the other party to the Contract and with the selected arbitrator or arbitration provider, and a copy will be sent to Engineer for information. The demand for arbitration will be made within the specific time required in this Article, or if no specified time is applicable within a reasonable time after the matter in question has arisen, and in no event shall any such demand be made after the date when institution of legal or equitable proceedings based on such matter in question would be barred by the applicable statute of limitations. The demand for arbitration should include specific reference to Paragraph SC-17.02.D below.

SC-17.02.C. No arbitration arising out of or relating to the Contract shall include by consolidation, joinder, or in any other manner any other individual or entity (including Engineer, and Engineer's consultants and the officers, directors, partners, agents, employees or consultants of any of them) who is not a party to this Contract unless:

SC-17.02.C.1. the inclusion of such other individual or entity is necessary if complete relief is to be afforded among those who are already parties to the arbitration; and

SC-17.02.C.2. such other individual or entity is substantially involved in a question of law or fact which is common to those who are already parties to the arbitration and which will arise in such proceedings.

SC-17.02.D. The award rendered by the arbitrator(s) shall be consistent with the agreement of the parties, in writing, and include a concise breakdown of the award, and a written explanation of the award specifically citing the Contract provisions deemed applicable and relied on in making the award.

SC-17.02.E. The award will be final. Judgment may be entered upon it in any court having jurisdiction thereof, and it will not be subject to modification or appeal, subject to provisions of the Laws and Regulations relating to vacating or modifying an arbitral award.

SC-17.02.F. The fees and expenses of the arbitrators and any arbitration service shall be shared equally by Owner and Contractor.

17.02.F. The fees and expenses of the arbitrators and any arbitration service shall be shared equally by Owner and Contractor.

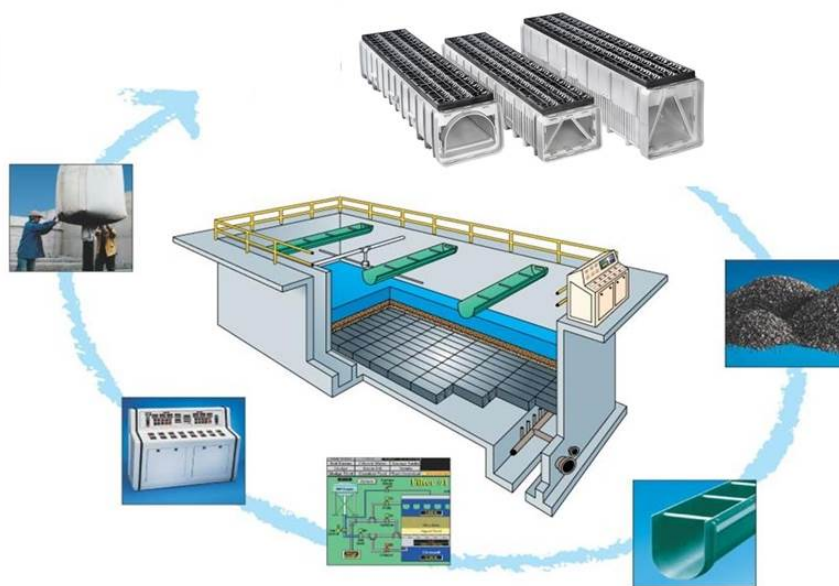
SC-17.03. Add the following new paragraph immediately after Paragraph 17.02:

SC-17.03 Attorneys' Fees: For any matter subject to final resolution under this Article, the prevailing party shall be entitled to an award of its attorneys' fees incurred in the final resolution proceedings, in an equitable amount to be determined in the discretion of the court, arbitrator, arbitration panel, or other arbiter of the matter subject to final resolution, taking into account the parties' initial demand or defense positions in comparison with the final result.

END OF SECTION

Proposal

Alexander City WTP Alexander City, AL.



Prepared for:

CH2M

2/1/2018



Xylem Water Solutions USA, Inc.
227 S. Division St.
Zelienople, PA 16063
Mr. Chris Ball
Direct: 724-453-2109
Mobile: 724-713-7145
Email: chris.ball@xylem.com

2/1/2018

Project name : Alexander City, AL.
Project number : I13439 Rev 02

CH2M:

Based on your inquiry, we are pleased to forward the following proposal to your attention. Thank you for the opportunity to offer our equipment and services for the Alexander City, AL WTP project.

We hope that our proposal comes up to your expectation. If you have any questions please do not hesitate to contact me or our local representative.

Respectfully,

Chris Ball
Senior Sales Engineer

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1 Technical Description

1.1 SCOPE OF SUPPLY

We are pleased to offer the following materials and services by Xylem Water Solutions USA, Inc. This quotation has been prepared using previous Leopold contract M1-3233-LV.

FILTER UNDERDRAIN SYSTEM:

LEOPOLD UNIVERSAL® TYPE S® UNDERDRAIN:

Under this section, we propose to furnish Leopold Universal® Type XA® Underdrain of the Dual/Parallel Lateral type, manufactured from corrosion resistant, high density polyethylene for installation in one (1) filter cell. The filter cell measures 28'-0" lateral run x 14'-0". The total filter area is 392 square feet.

The blocks shall be arranged end-to-end and mechanically joined with an O-ring to form continuous underdrain laterals approximately equivalent to the length of the filter cell. The joints shall be gasketed, bell and spigot type with internal alignment tabs for proper alignment, and be air and water tight. Joints shall be snap-lock type so that the blocks are joined with integral interlocking snap lugs and lug receptors for ease of assembly and installation of the laterals, and supplied with carbon steel "L" anchor rods.

The filter cell shall have a type 304 stainless steel hold down angle and seal angle with securement hardware.

The Sikaflex 2C NS EZ mix will be by others (**Not by Leopold Co.**).

I.M.S® 200 MEDIA RETAINER:

Under this section, we propose to furnish 392 square feet of I.M.S® 200 media retainer. The scope includes molded thermoplastic I.M.S® 200 media retainer factory installed onto the proposed (Leopold Universal® Type XA® Underdrain) block prior to shipment.

FILTER MEDIA:

One (1) filter cells, 392 square feet each
TOTAL FILTER AREA: 392 square feet

429 cubic feet	SILICA SAND – 12" Depth plus 1/2" skimming allowance and 5% extra Effective size: 0.45 mm to 0.55 mm Uniformity coefficient: 1.40 21 Tons
----------------	---

915 cubic feet	FILTER ANTHRACITE – 27" Depth plus
----------------	------------------------------------

1" skimming allowance
Effective Size: 0.95 mm to 1.05 mm
Uniformity coefficient: 1.40
23 Tons

NOTE:

Please verify that the proposed anthracite size of 0.95-1.05mm 1.4 U.C. matches the existing anthracite.

1.2 SERVICES

MANUFACTURER'S SERVICES (FILTER EQUIPMENT):

The services of a qualified Leopold technical representative to instruct the Contractor's personnel about the proper installation technique of the equipment will be provided for a period of six (6) days (8 hr/day) on site in two (2) trips.. Additional services may be obtained at the current prevailing rate plus living and travel expenses.

2 Price & Scope of Supply

2.1 MAIN SCOPE

BASIS of PRICING:

Any items and/or accessories not specifically called out in this quotation must be construed as being furnished by others.

This quotation is considered firm for 90 days. Orders received more than 90 days after the date of this quotation is reviewed by Xylem Water Solutions USA, Inc before acceptance and is subject to changes in prices or delivery depending on conditions existing at the time of entry. Quoted prices are firm for delivery within 12 months from the delivery date stipulated in the plans & specifications or mutually agreed upon by Xylem Water Solutions USA, Inc. and Purchase Order issuer at time of order placement.

We do not include any applicable taxes.

Orders resulting from this quotation should be addresses to Xylem Water Solutions USA, Inc. 227 S. Division St., Zelenople, PA, 16063, USA.

We propose to furnish the material described in this document for **a total selling price of \$58,000.** All prices are DAP jobsite with full freight allowed to the job site.

FILTER MEDIA WARRANTY (if applicable): SELLER warrants that its filter media products will meet the standards established by the latest edition of AWWA (American Water Works Association) B100. SELLER shall be responsible for verifying that the filter media meets or exceeds the AWWA B100 Standard at the point of sale. Testing shall be by an independent laboratory, which regularly performs testing of filter media. BUYER shall notify Xylem Water Solutions USA, Inc. immediately upon discovery of any defective product. The SELLER shall have the right to inspect said product and BUYER shall, if requested, return the defective product to the SELLER with transportation prepaid. NO LIABILITY IS ASSUMED BY THE SELLER UNDER ANY CIRCUMSTANCES FOR LABOR, MATERIAL OR OTHER COSTS ASSOCIATED WITH THE REMOVAL OR REPLACEMENT OF MEDIA UNLESS PREVIOUSLY APPROVED IN WRITING BY AN AUTHORIZED EMPLOYEE OF THE SELLER.

For further information pertaining to the equipment contained in this proposal, please contact our area representative, who is:

Principle Environmental, Inc.
1770 The Exchange
Suite 210
Atlanta, GA 30339
Phone: 770-952-9444
Fax: 770-952-7933

Attention: Bob Sender

Pricing is based on the following payment terms (net 30 days):

- 10% following initial submittal for approval
- 80% following the date of the respective shipments of the product
- 5% following installation, not to exceed 150 days after shipment of the product
- 5% following start-up, not to exceed 180 days after shipment of the product

3 Commercial Terms & Conditions

3.1 DELIVERY SCHEDULE

3.1.1 Delivery time

Delivery of fabricated items and filter media 8 to 10 weeks after drawing approval.

3.1.2 Production schedule

Submittal of mechanical drawings for approval 4 to 6 weeks after order acceptance.

3.2 T&C'S FOR PROPOSAL

1. Agreement, Integration and Conflict of Terms. These terms and conditions, together with any special conditions expressly incorporated thereto in the quotation or sales form, are to govern any sale between the Seller and Buyer. The Seller shall mean the applicable affiliate of Xylem Inc. that is party to the Agreement ("Seller"). The Buyer shall mean the entity that is party to the Agreement with Seller. This writing is an offer or counteroffer by Seller to sell the goods and/or services set forth on the quotation or sales form subject to these terms and conditions and is expressly made conditional on Buyer's assent to these terms and conditions. Acceptance by Buyer is expressly limited to these terms and conditions. Any additional or different terms and conditions contained in Buyer's purchase order or other communication shall not be effective or binding upon Seller unless specifically agreed to in writing by Seller; Seller hereby objects to any such conditions, and the failure of Seller to object to specific provisions contained in any purchase order or other communication from Buyer shall not be construed as a waiver of these terms and conditions nor an acceptance of any such provisions. Neither Seller's commencement of performance nor delivery shall be deemed or construed as acceptance of Buyer's additional or different terms and conditions. Buyer agrees that these terms and conditions, together with any accompanying quotation and any special conditions or limited process guarantees or documents referred to or included within the quotation and expressly made a part of this agreement, (e.g., drawings, illustrations, specifications, or diagrams), is the complete and final agreement between Buyer and the Seller ("Agreement"). In the case of any conflict among the foregoing documents, these terms shall take precedence with the exception of price and delivery which shall be governed by the order acknowledgment (if any) and invoice, and the warranty which shall be governed by Seller's product documentation. This Agreement supersedes all prior negotiations, representations, or agreements, either written or oral, between the parties and, further, can only be altered, modified or amended with the express written consent of Seller.

2. Quotation, Withdrawal, Expiration. Quotes are valid for thirty (30) calendar days from the date of issuance unless otherwise provided therein. Seller reserves the right to cancel or withdraw the quotation at any time with or without notice or cause prior to acceptance by Buyer. There is no Agreement if any conditions specified within the quotation **or** sales form are not completed by Buyer to Seller's satisfaction within thirty (30) calendar days of Seller's acknowledgement in writing of an order. Seller nevertheless reserves its right to accept any contractual documents received from Buyer after this 30-day period.

3. Prices. Prices apply to the specific quantities stated on the quotation or sales form. Prices include standard packing according to Seller's specifications for delivery. All costs and taxes for special packing requested by Buyer, including packing for exports, shall be paid by Buyer as an additional charge. Prices are subject to change without notice. The price for the goods does not include any applicable sales, use, excise, GST, VAT, or similar tax, duties or levies. Buyer shall have the responsibility for the payment of such taxes if applicable.

4. Payment Terms. Seller reserves the right to require payment in advance or C.O.D. and otherwise modify credit terms should Buyer's credit standing not meet Seller's acceptance. Unless different payment terms are expressly set forth in the quotation or sales form or order acknowledgment or Sales Policy Manual, goods will be invoiced upon shipment. Payment shall be made in the local currency where Seller's office is located and to which the order has been submitted. Payment in full is due within thirty (30) days from the invoice date unless otherwise stated in Seller's documentation. In the event payment is not made when due, Buyer agrees to pay Seller a service or finance charge of the lesser of (i) one and one-half percent (1.5%) per month (18% per annum), or (ii) the highest rate permitted by applicable law, on the unpaid balance of the invoice from and after the invoice due date. Buyer is responsible for all costs and expenses associated with any checks returned due to insufficient funds. All credit sales are subject to prior approval of Seller's credit department. Export shipments will require payment prior to shipment or an appropriate Letter of Credit. If, during the performance of the contract with Buyer, the financial responsibility or condition of Buyer is such that Seller in good faith deems itself insecure, or if Buyer becomes insolvent, or if a material change in the ownership of Buyer occurs, or if Buyer fails to make any payments in accordance with the terms of its contract with Seller, then, in any such event, Seller is not obligated to continue performance under the contract and may stop goods in transit and defer or decline to make delivery of goods, except upon receipt of satisfactory security or cash payments in advance, or Seller may terminate the order upon written notice to Buyer without further obligation to Buyer whatsoever. If Buyer fails to make payments or fails to furnish security satisfactory to Seller, then Seller shall also have the right to enforce payment to the full contract price of the work completed and in process. Upon default by Buyer in payment when due, Buyer shall immediately pay to Seller the entire unpaid amounts for any and all shipments made to Buyer irrespective of the terms of said shipment and whether said shipments are made pursuant to this Agreement or any other contract of sale between Seller and Buyer, and Seller may withhold all subsequent shipments until the full amount is settled. Acceptance by Seller of less than full payment shall not be a waiver of any of its rights hereunder. Buyer shall not assign or transfer this Agreement or any interest in it, or monies payable under it, without the written consent of Seller and any assignment made without such consent shall be null and void.

5. Title, Delivery, Risk of Loss. Delivery dates are estimates, and time is not of the essence. Unless otherwise specified by Seller, delivery and transfer of risk of loss for shipments to Buyers that are not Related Party Buyers will be made Incoterms 2010 Ex Works (Seller's plant or Distribution Center). Title shall pass when risk of loss transfers. Seller shall not be responsible to Buyer for any loss, whether direct, indirect, incidental or consequential in nature, including without limitation loss of profits or liquidated damages, arising out of or relating to any failure of the goods to be delivered by the specified delivery date. In the absence of specific instructions, Seller will select the carrier. Buyer shall reimburse Seller for the additional cost of its performance resulting from inaccurate or lack of delivery instructions, or by any act or omission on Buyer's part. Any such additional cost may include, but is not limited to, storage, insurance, protection, re-inspection and delivery expenses. Buyer further agrees that any payment due on delivery shall be made on delivery into storage as though goods had been delivered in accordance with the order.

Related Party Buyers are defined as Buyers, directly or indirectly, owned more than 50% by Xylem Inc. or under significant or joint control by Xylem Inc. For export shipments from the USA to Related Party Buyers, title and risk of loss for the material shall pass to the Related Party Buyer at the port of destination. Incoterm 2010 shall be DAP (Destination). Related Party Buyer shall be importer of record for any

customs clearance. For shipments to Related Party Buyers that are not export shipments from the USA, delivery and transfer of risk of loss shall be Incoterm 2010 FCA (Seller's plant or Distribution Center) unless otherwise specified. Title shall pass when the risk of loss passes to Buyer.

Buyer grants to Seller a continuing security interest in and a lien upon the products and the proceeds thereof (including insurance proceeds), as security for the payment of all such amounts and the performance by Buyer of all of its obligations to Seller pursuant to this Agreement and all such other sales, and Buyer shall have no right to sell, encumber or dispose of the products. Buyer shall execute any and all financing statements and other documents and instruments and do and perform any and all other acts and things which Seller may consider necessary, desirable or appropriate to establish, perfect or protect Seller's title, security interest and lien. In addition, Buyer authorizes Seller and its agents and employees to execute any and all such documents and instruments and do and perform any and all such acts and things, at Buyer's expense, in Buyer's name and on its behalf. Such documents and instruments may also be filed without the signature of Buyer to the extent permitted by law.

6. Warranty. For goods sold by Seller to Buyer that are used by Buyer for personal, family or household purposes, Seller warrants the goods to Buyer on the terms of Seller's limited warranty available on Seller's website. For goods sold by Seller to Buyer for any other purpose, Seller warrants that the goods sold to Buyer hereunder (with the exception of membranes, seals, gaskets, elastomer materials, coatings and other "wear parts" or consumables all of which are not warranted except as otherwise provided in the quotation or sales form) will be (i) be built in accordance with the specifications referred to in the quotation or sales form, if such specifications are expressly made a part of this Agreement, and (ii) free from defects in material and workmanship for a period of one (1) year from the date of installation or eighteen (18) months from the date of shipment (which date of shipment shall not be greater than thirty (30) days after receipt of notice that the goods are ready to ship), whichever shall occur first, unless a longer period is provided by law or is specified in the product documentation (the "Warranty"). For services, the warranty period shall be three (3) months from the date of invoice unless otherwise expressly set forth in the quotation or sales form or order acknowledgment.

Except as otherwise provided by law, Seller shall, at its option and at no cost to Buyer, either repair or replace any product which fails to conform with the Warranty; provided, however, that under either option, Seller shall not be obligated to remove the defective product or install the replaced or repaired product and Buyer shall be responsible for all other costs, including, but not limited to, service costs, shipping fees and expenses. Seller shall have complete discretion as to the method or means of repair or replacement. Buyer's failure to comply with Seller's repair or replacement directions shall constitute a waiver of its rights and render all warranties void. Any parts repaired or replaced by Seller under the Warranty are warranted only for the balance of the warranty period on the parts that were repaired or replaced. The Warranty is conditioned on Buyer giving written notice to Seller of any defects in material or workmanship of warranted goods within ten (10) days of the date when any defects are first manifest. Seller shall have no warranty obligations to Buyer with respect to any product or parts of a product that: (a) have been repaired by third parties other than Seller or without Seller's written approval; (b) have been subject to misuse, misapplication, neglect, alteration, accident, or physical damage; (c) have been used in a manner contrary to Seller's instructions for installation, operation and maintenance; (d) have been damaged from ordinary wear and tear, corrosion, or chemical attack; (e) have been damaged due to abnormal conditions, vibration, failure to properly prime, or operation without flow; (f) have been damaged due to a defective power supply or improper electrical protection; or (g) have been damaged resulting from the use of accessory equipment not sold by Seller or not approved by Seller in connection with products supplied by Seller hereunder. In any case of products not manufactured by Seller, there is no warranty from Seller; however, Seller will extend to Buyer any warranty received from Seller's supplier of such products.

THE FOREGOING WARRANTY IS EXCLUSIVE AND IN LIEU OF ANY AND ALL OTHER EXPRESS OR IMPLIED WARRANTIES, GUARANTEES, CONDITIONS OR TERMS OF WHATEVER NATURE RELATING TO THE GOODS PROVIDED HEREUNDER, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE HEREBY EXPRESSLY DISCLAIMED AND EXCLUDED. EXCEPT AS OTHERWISE PROVIDED BY LAW, BUYER'S EXCLUSIVE REMEDY AND SELLER'S AGGREGATE LIABILITY FOR BREACH OF ANY OF THE FOREGOING WARRANTIES ARE LIMITED TO REPAIRING OR REPLACING THE PRODUCT AND SHALL IN ALL CASES BE LIMITED TO THE AMOUNT PAID BY THE BUYER HEREUNDER. IN NO EVENT IS SELLER LIABLE FOR ANY OTHER FORM OF DAMAGES, WHETHER DIRECT, INDIRECT, LIQUIDATED, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, EXEMPLARY OR SPECIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFIT, LOSS OF ANTICIPATED SAVINGS OR REVENUE, LOSS OF INCOME, LOSS OF BUSINESS, LOSS OF PRODUCTION, LOSS OF OPPORTUNITY OR LOSS OF REPUTATION.

7. Inspection. Buyer shall have the right to inspect the goods upon their receipt. When delivery is to Buyer's site or to a project site ("Site"), Buyer shall notify Seller in writing of any nonconformity of the goods with this Agreement within three (3) days from receipt by Buyer, unless a shorter period is required in Seller's quotation. For all other deliveries, Buyer shall notify Seller in writing of any nonconformity with this Agreement within fourteen (14) days from receipt by Buyer. Failure to give such applicable notice shall constitute a waiver of Buyer's right to inspect and/or reject the goods for nonconformity and shall be equivalent to an irrevocable acceptance of the goods by Buyer. Claims for loss of or damage to goods in transit must be made to the carrier, and not to Seller.

8. Seller's Limitation of Liability. EXCEPT AS OTHERWISE PROVIDED BY LAW, IN NO EVENT SHALL SELLER'S LIABILITY UNDER THIS AGREEMENT EXCEED THE AMOUNT PAID BY BUYER UNDER THIS AGREEMENT. SELLER SHALL HAVE NO LIABILITY FOR LOSS OF PROFIT, LOSS OF ANTICIPATED SAVINGS OR REVENUE, LOSS OF INCOME, LOSS OF BUSINESS, LOSS OF PRODUCTION, LOSS OF OPPORTUNITY, LOSS OF REPUTATION, LIQUIDATED, DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR EXEMPLARY DAMAGES. THE FOREGOING LIMITATIONS OF LIABILITY SHALL BE EFFECTIVE WITHOUT REGARD TO SELLER'S ACTS OR OMISSIONS OR NEGLIGENCE OR STRICT LIABILITY IN PERFORMANCE OR NON-PERFORMANCE HEREUNDER.

9. USED EQUIPMENT. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, USED EQUIPMENT IS SOLD IN AN AS IS, WHERE IS CONDITION. SELLER MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, AS TO THE NATURE, QUALITY OR CONDITION OF THE EQUIPMENT, OR ITS SUITABILITY FOR ANY USE, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, UNLESS EXPRESSLY AGREED UPON IN WRITING BETWEEN THE PARTIES. SELLER SHALL HAVE NO LIABILITY TO BUYER HEREUNDER OR IN CONNECTION WITH THE EQUIPMENT, INCLUDING WITHOUT LIMITATION, FOR LOSS OF PROFIT, LOSS OF INCOME, LOSS OF PRODUCTION, LOSS OF OPPORTUNITY, INDIRECT, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR EXEMPLARY DAMAGES.

10. Force Majeure. Seller may cancel or suspend this Agreement and Seller shall have no liability for any failure to deliver or perform, or for any delay in delivering or performing any obligations, due to acts or omissions of Buyer and/or its contractors, or due to circumstances beyond Seller's reasonable control, including but not limited to acts of God, fire, flood or other natural disasters, war and civil disturbance, riot, acts of governments, terrorism, disease, currency restrictions, labor shortages or disputes, unavailability of materials, fuel, power, energy or transportation facilities, failures of suppliers or subcontractors to effect deliveries, in which case the time for performance shall be extended in an amount equal to the excused period, provided that Seller shall have, as soon as reasonably practicable after it has actual knowledge of the beginning of any excusable delay, notified Buyer of such delay, of the reason therefor and of the probable duration and consequence thereof. Seller shall use its best efforts to eliminate the cause of the delay, interruption or cessation and to resume performance of its obligations hereunder with the least possible delay.

11. Cancellation. Except as otherwise provided in this Agreement, no order may be cancelled on special or made-to-order goods or unless otherwise requested in writing by either party and accepted in writing by the other. In the event of a cancellation by Buyer, Buyer shall, within thirty (30) days of such cancellation, pay Seller a cancellation fee, which shall include all costs and expenses incurred by Seller prior to the receipt of the request for cancellation including, but not limited to, all commitments to its suppliers, subcontractors and others, all fully burdened labor and overhead expended by Seller, plus a reasonable profit charge." Return of goods shall be in accordance with Seller's most current Return Materials Authorization and subject to a minimum fifteen percent (15%) restocking fee, unless otherwise specified.

Notwithstanding anything to the contrary herein, in the event of the commencement by or against Buyer of any voluntary or involuntary proceedings in bankruptcy or insolvency, or in the event Buyer shall be adjusted bankrupt, make a general assignment for the benefit of its creditors, or if a receiver shall be appointed on account of Buyer's insolvency, or if Buyer fails to make payment when due under this Agreement, or in the event Buyer does not correct or, if immediate correction is not possible, commence and diligently continue action to correct any default of Buyer to comply with any of the provisions or requirements of this Agreement within ten (10) calendar days after being notified in writing of such default by Seller, Seller may, by written notice to Buyer, without prejudice to any other rights or remedies which Seller may have, terminate its further performance of this Agreement. In the event of such termination, Seller shall be entitled to receive payment as if Buyer has cancelled the Agreement as per the preceding paragraph. Seller may nevertheless elect to complete its performance of this Agreement by any means it chooses. Buyer agrees to be responsible for any additional costs incurred by Seller in so doing. Upon termination of this Agreement, the rights, obligations and liabilities of the parties which shall have arisen or been incurred under this Agreement prior to its termination shall survive such termination.

12. Drawings. All drawings are the property of Seller. Seller does not supply detailed or shop working drawings of the goods; however, Seller will supply necessary installation drawings. The drawings and bulletin illustrations submitted with Seller's quotation show general type, arrangement and approximate dimensions of the goods to be furnished for Buyer's information only and Seller makes no representation or warranty regarding their accuracy. Unless expressly stated to the contrary within the quotation or sales form, all drawings, illustrations, specifications or diagrams form no part of this Agreement. Seller reserves the right to alter such details in design or arrangement of its goods which, in its judgment, constitute an improvement in construction, application or operation. All engineering information necessary for installation of the goods shall be forwarded by Seller to Buyer upon Buyer's acceptance of this Agreement. After Buyer's acceptance of this Agreement, any changes in the type of goods, the arrangement of the goods, or application of the goods requested by Buyer will be made at Buyer's expense. Instructions necessary for installation, operating and maintenance will be supplied when the goods are shipped.

13. Proprietary Information, Injunction. Seller's designs, illustrations, drawings, specifications, technical data, catalogues, "know-how", economic or other business or manufacturing information (collectively "Proprietary Information") disclosed to Buyer shall be deemed proprietary and confidential to Seller. Buyer agrees not to disclose, use, or reproduce any Proprietary Information without first having obtained Seller's express written consent. Buyer's agreement to refrain from disclosing, using or reproducing Proprietary Information shall survive completion of the work under this Agreement. Buyer acknowledges that its improper disclosure of Proprietary Information to any third party will result in Seller's suffering irreparable harm. Seller may seek injunctive or equitable relief to prevent Buyer's unauthorized disclosure.

14. Installation and Start-up. Unless otherwise agreed to in writing by Seller, installation shall be the sole responsibility of Buyer. Where start-up service is required with respect to the goods purchased hereunder, it must be performed by Seller's authorized personnel or agents; otherwise, the Warranty is void. In the event Buyer has engaged Seller to provide an engineer for start-up supervision, such engineer will function in a supervisory capacity only and Seller shall have no responsibility for the quality of workmanship of the installation. In any event, Buyer understands and agrees that it shall furnish, at Buyer's expense, all necessary foundations, supplies, labor and facilities that might be required to install and operate the goods.

15. Specifications; Back-charges. Changes in specifications requested by Buyer are subject to approval in writing by Seller. In the event such changes are approved, the price for the goods and the delivery schedule shall be changed to reflect such changes.



Buyer shall not make purchases nor shall Buyer incur any labor that would result in a back charge to Seller without prior written consent of an authorized employee of Seller.

16. Buyer Warranty. Buyer warrants the accuracy of any and all information relating to the details of its operating conditions, including temperatures, pressures, and where applicable, the nature of all hazardous materials. Seller can justifiably rely upon the accuracy of Buyer's information in its performance. Should Buyer's information prove inaccurate, Buyer agrees to reimburse Seller for any losses, liabilities, damages and expenses that Seller may have incurred as a result of any inaccurate information provided by Buyer to Seller.

17. Minimum Order. Seller reserves the right to refuse to process any order that does not meet quantity requirements that Seller may establish for any given product or group of products.

18. Quality Levels. Prices are based on quality levels commensurate with normal processing. If a different quality level is required, Buyer must specify its requirements, as approved in writing by Seller, and pay any additional costs that may be applicable.

19. Product Recalls. In cases where Buyer purchases for resale, Buyer shall take all reasonable steps (including, without limitation, those measures prescribed by the seller): (a) to ensure that all customers of the Buyer and authorised repairers who own or use affected products are advised of every applicable recall campaign of which the Buyer is notified by the Seller; (b) to ensure that modifications notified to Buyer by Seller by means of service campaigns, recall campaigns, service programmes or otherwise are made with respect to any products sold or serviced by Buyer to its customers or authorized repairers. The reimbursement of Buyer for parts and labor used in making those modifications shall be as set forth in the campaign or program instructions. Without the prior consent of the Seller, the Buyer shall not disclose to any third party the information contained in service campaign, recall campaign or service programme literature. Should Buyer fail to perform any of the actions required under this section, Seller shall have the right to obtain names and address of the Buyer's customers and shall be entitled to get into direct contact with such customers.

20. GOVERNING LAW. THE TERMS OF THIS AGREEMENT AND ALL RIGHTS AND OBLIGATIONS HEREUNDER SHALL BE GOVERNED BY THE LAWS OF THE JURISDICTION WHERE SELLER'S OFFICE IS LOCATED TO WHICH THIS ORDER HAS BEEN SUBMITTED (WITHOUT REFERENCE TO PRINCIPLES OF CONFLICTS OF LAWS). THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL NOT BE GOVERNED BY THE 1980 U.N. CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS.

21. Export Regulation. Seller's products, including any software, documentation and any related technical data included with, or contained in, or utilized by such products or deliverables, may be subject to applicable export laws and regulations, including United States Export Administration Regulations, and Buyer shall comply with all such applicable laws and regulations. In particular, the Buyer shall not, and shall not permit any third parties to, directly or indirectly, export, re-export or release any product to any jurisdiction or country to which, or any party to whom, the export, re-export or release of any product is prohibited by applicable law, regulation or rule. The Buyer shall be responsible for any breach of this Section 20.

22. Titles. The section titles are for reference only, and shall not limit or restrict the interpretation or construction of this Agreement.

23. Waiver. Seller's failure to insist, in any one or more instances, upon Buyer's performance of this Agreement, or to exercise any rights conferred, shall not constitute a waiver or relinquishment of any such right or right to insist upon Buyer's performance in any other regard.

24. Severability. The partial or complete invalidity of any one or more provisions of this Agreement shall not affect the validity or continuing force and effect of any other provision.

AGREEMENT TO PURCHASE: BUYER agrees to purchase the equipment and services herein in accordance with the terms and conditions set forth above.

ACCEPTANCE: SELLER hereby accepts BUYER'S offer to purchase.

(BUYER)

Xylem Water Solutions USA, Inc.

BY: _____

BY: _____

_____, 20 _____

_____, 20 _____

