

EXHIBIT 4



DocuSign City Council Transmittal Coversheet

RFP	6281
File Name	Lake Lewisville Raw Water Line Assessment
Purchasing Contact	Robyn Forsyth
City Council Target Date	December 6, 2016
Granicus #	
Ordinance #	

EXHIBIT 4

**PROFESSIONAL SERVICES AGREEMENT
FOR LAKE LEWISVILLE RAW WATER LINE ASSESSMENT**

STATE OF TEXAS §

COUNTY OF DENTON §

THIS AGREEMENT is made and entered into on Pure Technologies U.S. Inc., by and between the City of Denton, Texas, a Texas municipal corporation, with its principal office at 215 East McKinney Street, Denton, Denton County, Texas 76201, hereinafter called "OWNER" and Pure Technologies U.S. Inc., with its corporate office at 4505 Excel Parkway, Ste#600, Addison TX 75001, hereinafter called "CONSULTANT," acting herein, by and through their duly authorized representatives.

WITNESSETH, that in consideration of the covenants and agreements herein contained, the parties hereto do mutually agree as follows:

**ARTICLE I
EMPLOYMENT OF CONSULTANT**

The OWNER hereby contracts with the CONSULTANT, as an independent contractor, and the CONSULTANT hereby agrees to perform the services herein in connection with the Project as stated in the sections to follow, with diligence and in accordance with the highest professional standards customarily obtained for such services in the State of Texas. The professional services set out herein are in connection with the following described project:

The Project shall include, without limitation, (herein describe project)

**ARTICLE II
SCOPE OF SERVICES**

The CONSULTANT shall perform the following services in a professional manner:

- A. The CONSULTANT shall perform all those services as necessary and as described in the OWNER's Technical Specifications (describe any request for proposal which the OWNER has utilized to solicit the CONSULTANT's services), which is attached hereto and made a part hereof as Exhibit "A" as if written word for word herein.
- B. To perform all those services set forth in CONSULTANT's Scope of Work dated September 20, 2016 (describe any proposal of CONSULTANT which has been provided including the date of said proposal), which proposal is attached hereto and made a part hereof as Exhibit "B" as if written word for word herein.

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- C. CONSULTANT shall perform all those services set forth in individual task orders which shall be attached to this Agreement and made a part hereof for all purposes as separate agreements. (If CONSULTANT is a professional engineer and you wish to list specific services of the CONSULTANT, please list all specific engineering services to be provided, including the preparation of detailed plans and specifications.)
- D. If there is any conflict between the terms of this Agreement and the exhibits attached to this Agreement, the terms and conditions of this Agreement will control over the terms and conditions of the attached exhibits or task orders.

ARTICLE III
ADDITIONAL SERVICES

(To be used if CONSULTANT is an engineer.) Additional services to be performed by the CONSULTANT, if authorized by the OWNER, which are not included in the above- described Basic Services, are described as follows:

- A. During the course of the Project, as requested by OWNER, the CONSULTANT will be available to accompany OWNER's personnel when meeting with the Texas Natural Resource Conservation Commission, U.S. Environmental Protection Agency, or other regulatory agencies. The CONSULTANT will assist OWNER's personnel on an as-needed basis in preparing compliance schedules, progress reports, and providing general technical support for the OWNER's compliance efforts.
- B. Assisting OWNER or contractor in the defense or prosecution of litigation in connection with or in addition to those services contemplated by this Agreement. Such services, if any, shall be furnished by CONSULTANT on a fee basis negotiated by the respective parties outside of and in addition to this Agreement.
- C. Sampling, testing, or analysis beyond that specifically included in Basic Services.
- D. Preparing copies of computer aided drafting (CAD) electronic data bases, drawings, or files for the OWNER's use in a future CAD system.
- E. Preparing applications and supporting documents for government grants, loans, or planning advances and providing data for detailed applications.
- F. Appearing before regulatory agencies or courts as an expert witness in any litigation with third parties or condemnation proceedings arising from the development or construction of the Project, including the preparation of engineering data and reports for assistance to the OWNER.
- G. Providing geotechnical investigations for the site, including soil borings, related analyses, and recommendations.
- H. (List any additional services not included in Basic Services.)

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ARTICLE IV
PERIOD OF SERVICE

This Agreement shall become effective upon execution of this Agreement by the OWNER and the CONSULTANT and upon issue of a notice to proceed by the OWNER, and shall remain in force for the period which may reasonably be required for the completion of the Project, including Additional Services, if any, and any required extensions approved by the OWNER. This Agreement may be sooner terminated in accordance with the provisions hereof. Time is of the essence in this Agreement. The CONSULTANT shall make all reasonable efforts to complete the services set forth herein as expeditiously as possible and to meet the schedule established by the OWNER, acting through its City Manager or his designee.

ARTICLE V
COMPENSATION

A. COMPENSATION TERMS:

1. "Subcontract Expense" is defined as expenses incurred by the CONSULTANT in employment of others in outside firms for services in the nature of outside services, not provided by the Consultant.
2. "Direct Non-Labor Expense" is defined as that expense for any assignment incurred by the CONSULTANT for supplies, transportation and equipment, travel, communications, subsistence, and lodging away from home, and similar incidental expenses in connection with that assignment.

B. BILLING AND PAYMENT: For and in consideration of the professional services to be performed by the CONSULTANT herein, the OWNER agrees to pay, based on the cost estimate detail at an hourly rate shown in Exhibit "B" which is attached hereto and made a part of this Agreement as if written word for word herein, a total fee, including reimbursement for direct non-labor expenses not to exceed \$592,740.

Partial payments to the CONSULTANT will be made on the basis of detailed monthly statements rendered to and approved by the OWNER through its City Manager or his designee; however, under no circumstances shall any monthly statement for services exceed the value of the work performed at the time a statement is rendered. The OWNER may withhold the final five percent (5%/ 20% SOW) of the contract amount until completion of the Project.

Nothing contained in this Article shall require the OWNER to pay for any work which is unsatisfactory, as reasonably determined by the City Manager or his designee, or which is not submitted in compliance with the terms of this Agreement. The OWNER shall not be required to make any payments to the CONSULTANT when the CONSULTANT is in default under this Agreement.

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It is specifically understood and agreed that the CONSULTANT shall not be authorized to undertake any work pursuant to this Agreement which would require additional payments by the OWNER for any charge, expense, or reimbursement above the maximum not to exceed fee as stated, without first having obtained written authorization from the OWNER. The CONSULTANT shall not proceed to perform the services listed in Article III "Additional Services," without obtaining prior written authorization from the OWNER.

- C. **ADDITIONAL SERVICES:** For additional services authorized in writing by the OWNER in Article III, the CONSULTANT shall be paid based on the Schedule of Charges at an hourly rate shown in Exhibit "B." Payments for additional services shall be due and payable upon submission by the CONSULTANT, and shall be in accordance with subsection B hereof. Statements shall not be submitted more frequently than monthly.
- D. **PAYMENT:** If the OWNER fails to make payments due the CONSULTANT for services and expenses within thirty (30) days after receipt of the CONSULTANT's undisputed statement thereof, the amounts due the CONSULTANT will be increased by the rate of one percent (1%) per month from the said thirtieth (30th) day, and, in addition, the CONSULTANT may, after giving seven (7) days' written notice to the OWNER, suspend services under this Agreement until the CONSULTANT has been paid in full all amounts due for services, expenses, and charges, provided, however, nothing herein shall require the OWNER to pay the late charge of one percent (1%) set forth herein if the OWNER reasonably determines that the work is unsatisfactory, in accordance with this Article V, "Compensation."
- E. **Invoices** shall be sent directly to the City of Denton Accounts Payable Department, 215 E McKinney St, Denton, TX, 76201-4299. A pro-forma invoice shall be sent to the contract administrator as identified in the Notice to Proceed. It is the intention of the City of Denton to make payment on completed orders within thirty days after receipt of invoice or items; whichever is later, unless unusual circumstances arise. **Invoices must be fully documented as to labor, materials, and equipment provided, if applicable, and must reference the City of Denton Purchase Order Number in order to be processed. No payments shall be made on invoices not listing a Purchase Order Number.**

ARTICLE VI**OBSERVATION AND REVIEW OF THE WORK**

The CONSULTANT will exercise reasonable care and due diligence in discovering and promptly reporting to the OWNER any defects or deficiencies in the work of the CONSULTANT or any subcontractors or sub-consultants.

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ARTICLE VII
OWNERSHIP OF DOCUMENTS

All documents prepared or furnished by the CONSULTANT (and CONSULTANT's subcontractors or sub-consultants) pursuant to this Agreement are instruments of service, and shall become the property of the OWNER upon the termination of this Agreement. The CONSULTANT is entitled to retain copies of all such documents. The documents prepared and furnished by the CONSULTANT are intended only to be applicable to this Project, and OWNER's use of these documents in other projects shall be at OWNER's sole risk and expense. In the event the OWNER uses any of the information or materials developed pursuant to this Agreement in another project or for other purposes than specified herein, CONSULTANT is released from any and all liability relating to their use in that project.

ARTICLE VIII
INDEPENDENT CONTRACTOR

CONSULTANT shall provide services to OWNER as an independent contractor, not as an employee of the OWNER. CONSULTANT shall not have or claim any right arising from employee status.

ARTICLE IX
INDEMNITY AGREEMENT

The CONSULTANT shall indemnify and save and hold harmless the OWNER and its officers, agents, and employees from and against any and all liability, claims, demands, damages, losses, and expenses, including, but not limited to court costs and reasonable attorney fees incurred by the OWNER, and including, without limitation, damages for bodily and personal injury, death and property damage, resulting from the negligent acts or omissions of the CONSULTANT or its officers, shareholders, agents, or employees in the execution, operation, or performance of this Agreement.

Nothing in this Agreement shall be construed to create a liability to any person who is not a party to this Agreement, and nothing herein shall waive any of the parties' defenses, both at law or equity, to any claim, cause of action, or litigation filed by anyone not a party to this Agreement, including the defense of governmental immunity, which defenses are hereby expressly reserved.

Notwithstanding anything herein to the contrary, neither party hereto will be liable to the other for any consequential, indirect, incidental, or special loss or damage suffered by the other party or any third party, or for any punitive damages.

ARTICLE X
INSURANCE

During the performance of the services under this Agreement, CONSULTANT shall maintain the following insurance with an insurance company licensed to do business in the State of Texas by the State Insurance Commission or any successor agency that has a rating with Best Rate Carriers of at least an A- or above:

- A. Comprehensive General Liability Insurance with bodily injury limits of not less than \$1,000,000 for each occurrence and not less than \$1,000,000 in the aggregate, and with property damage limits of not less than \$100,000 for each occurrence and not less than

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\$100,000 in the aggregate.

- B. Automobile Liability Insurance with bodily injury limits of not less than \$500,000 for each person and not less than \$500,000 for each accident, and with property damage limits of not less than \$100,000 for each accident.
- C. Worker's Compensation Insurance in accordance with statutory requirements, and Employers' Liability Insurance with limits of not less than \$100,000 for each accident.
- D. Professional Liability Insurance with limits of not less than \$1,000,000 annual aggregate.
- E. The CONSULTANT shall furnish insurance certificates or insurance policies at the OWNER's request to evidence such coverages. The General Liability and Auto Liability insurance policies shall name the OWNER as an additional insured. CONSULTANT shall endeavor to provide OWNER with any cancellation or modification to its insurance policies.

ARTICLE XI

ARBITRATION AND ALTERNATE DISPUTE RESOLUTION

The parties may agree to settle any disputes under this Agreement by submitting the dispute to arbitration or other means of alternate dispute resolution, such as mediation. No arbitration or alternate dispute resolution arising out of or relating to this Agreement, involving one party's disagreement, may include the other party to the disagreement without the other's approval.

ARTICLE XII

TERMINATION OF AGREEMENT

- A. Notwithstanding any other provision of this Agreement, either party may terminate by giving thirty (30) days' advance written notice to the other party.
- B. This Agreement may be terminated in whole or in part in the event of either party substantially failing to fulfill its obligations under this Agreement. No such termination will be affected unless the other party is given (1) written notice (delivered by certified mail, return receipt requested) of intent to terminate and setting forth the reasons specifying the non-performance, and not less than thirty (30) calendar days to cure the failure; and (2) an opportunity for consultation with the terminating party prior to termination.
- C. If the Agreement is terminated prior to completion of the services to be provided hereunder, CONSULTANT shall immediately cease all services and shall render a final bill for services to the OWNER within thirty (30) days after the date of termination. The

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OWNER shall pay CONSULTANT for (i) all services properly rendered and satisfactorily performed, (ii) for reimbursable expenses to termination incurred prior to the date of termination, in accordance with Article V “Compensation,” and (iii) for reasonably incurred termination expenses resulting from the early termination by the OWNER. Should the OWNER subsequently contract with a new consultant for the continuation of services on the Project, CONSULTANT shall cooperate in providing information. The CONSULTANT shall turn over all documents prepared or furnished by CONSULTANT pursuant to this Agreement to the OWNER on or before the date of termination, but may maintain copies of such documents for its use.

ARTICLE XIII
RESPONSIBILITY FOR CLAIMS AND LIABILITIES

Approval by the OWNER shall not constitute, nor be deemed a release of the responsibility and liability of the CONSULTANT, its employees, associates, agents, subcontractors, and sub-consultants for the accuracy and competency of their designs or other work; nor shall such approval be deemed to be an assumption of such responsibility by the OWNER for any defect in the design or other work prepared by the CONSULTANT, its employees, subcontractors, agents, and consultants.

ARTICLE XIV
NOTICES

All notices, communications, and reports required or permitted under this Agreement shall be personally delivered or mailed to the respective parties by depositing same in the United States mail to the address shown below, certified mail, return receipt requested, unless otherwise specified herein. Mailed notices shall be deemed communicated as of three (3) days’ mailing:

To CONSULTANT:

Pure Technologies U. S. Inc.
Attn: Mr. David W. Kurtz. P.E.
4505 Excel Parkway, Ste 600
Addison, TX 75001

To OWNER:

City of Denton
Mr. Elton Brock
215 East McKinney
Denton, Texas 76201

All notices shall be deemed effective upon receipt by the party to whom such notice is given, or within three (3) days’ mailing.

ARTICLE XV
ENTIRE AGREEMENT

This Agreement, consisting of twenty-one (21) pages and two exhibits, constitutes the complete and final expression of the agreement of the parties, and is intended as a complete and exclusive statement of the terms of their agreements, and supersedes all prior contemporaneous offers, promises, representations, negotiations, discussions, communications, and agreements which may have been made in connection with the subject matter hereof.

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ARTICLE XVI
SEVERABILITY

If any provision of this Agreement is found or deemed by a court of competent jurisdiction to be invalid or unenforceable, it shall be considered severable from the remainder of this Agreement and shall not cause the remainder to be invalid or unenforceable. In such event, the parties shall reform this Agreement to replace such stricken provision with a valid and enforceable provision which comes as close as possible to expressing the intention of the stricken provision.

ARTICLE XVII
COMPLIANCE WITH LAWS

The CONSULTANT shall comply with all federal, state, and local laws, rules, regulations, and ordinances applicable to the work covered hereunder as they may now read or hereinafter be amended.

ARTICLE XVIII
DISCRIMINATION PROHIBITED

In performing the services required hereunder, the CONSULTANT shall not discriminate against any person on the basis of race, color, religion, sex, national origin or ancestry, age, or physical handicap.

ARTICLE XIX
PERSONNEL

- A. The CONSULTANT represents that it has or will secure, at its own expense, all personnel required to perform all the services required under this Agreement. Such personnel shall not be employees or officers of, or have any contractual relations with the OWNER. CONSULTANT shall inform the OWNER of any conflict of interest or potential conflict of interest that may arise during the term of this Agreement.
- B. All services required hereunder will be performed by the CONSULTANT or under its supervision. All personnel engaged in work shall be qualified, and shall be authorized and permitted under state and local laws to perform such services.

ARTICLE XX
ASSIGNABILITY

The CONSULTANT shall not assign any interest in this Agreement, and shall not transfer any interest in this Agreement (whether by assignment, novation, or otherwise) without the prior written consent of the OWNER.

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ARTICLE XXI
MODIFICATION

No waiver or modification of this Agreement or of any covenant, condition, or limitation herein contained shall be valid unless in writing and duly executed by the party to be charged therewith, and no evidence of any waiver or modification shall be offered or received in evidence in any proceeding arising between the parties hereto out of or affecting this Agreement, or the rights or obligations of the parties hereunder, and unless such waiver or modification is in writing and duly executed; and the parties further agree that the provisions of this section will not be waived unless as set forth herein.

ARTICLE XXII
MISCELLANEOUS

- A. The following exhibits are attached to and made a part of this Agreement: (list exhibits)
- B. The OWNER shall have the right to audit and make copies of the books, records and computations pertaining to this agreement. The CONTRACTOR shall retain such books, records, documents and other evidence pertaining to this agreement during the contract period and five years thereafter, except if an audit is in progress or audit findings are yet unresolved, in which case records shall be kept until all audit tasks are completed and resolved. These books, records, documents and other evidence shall be available, within 10 business days of written request. Further, the CONTRACTOR shall also require all Subcontractors, material suppliers, and other payees to retain all books, records, documents and other evidence pertaining to this agreement, and to allow the OWNER similar access to those documents. All books and records will be made available within a 50 mile radius of the City of Denton. The cost of the audit will be borne by the OWNER unless the audit reveals an overpayment of 1% or greater. If an overpayment of 1% or greater occurs, the reasonable cost of the audit, including any travel costs, must be borne by the CONTRACTOR which must be payable within five business days of receipt of an invoice. Failure to comply with the provisions of this section shall be a material breach of this contract and shall constitute, in the OWNER'S sole discretion, grounds for termination thereof. Each of the terms "books", "records", "documents" and "other evidence", as used above, shall be construed to include drafts and electronic files, even if such drafts or electronic files are subsequently used to generate or prepare a final printed document.
- C. Venue of any suit or cause of action under this Agreement shall lie exclusively in Denton County, Texas. This Agreement shall be construed in accordance with the laws of the State of Texas.
- D. For the purpose of this Agreement, the key persons who will perform most of the work hereunder shall be Brian Ellis, P.E. Senior Project Manager. However, nothing herein shall limit CONSULTANT from using other qualified and competent members of its firm to perform the services required herein.

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- E. CONSULTANT shall commence, carry on, and complete any and all projects with all applicable dispatch, in a sound, economical, and efficient manner and in accordance with the provisions hereof. In accomplishing the projects, CONSULTANT shall take such steps as are appropriate to ensure that the work involved is properly coordinated with related work being carried on by the OWNER.
- F. The OWNER shall assist the CONSULTANT by placing at the CONSULTANT's disposal all available information pertinent to the Project, including previous reports, any other data relative to the Project, and arranging for the access thereto, and make all provisions for the CONSULTANT to enter in or upon public and private property as required for the CONSULTANT to perform services under this Agreement.
- G. The captions of this Agreement are for informational purposes only, and shall not in any way affect the substantive terms or conditions of this Agreement.

IN WITNESS HEREOF, the City of Denton, Texas has caused this Agreement to be executed by its duly authorized City Manager, and CONSULTANT has executed this Agreement through its duly authorized undersigned officer on this the _____ day of _____, 20____.

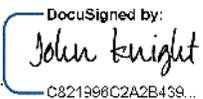
CITY OF DENTON, TEXAS

HOWARD MARTIN, CITY MANAGER

ATTEST:
JENNIFER WALTERS, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
ANITA BURGESS, CITY ATTORNEY

BY:  _____
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CONSULTANT

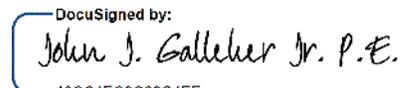
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AUTHORIZED SIGNATURE, TITLE

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WITNESS:

BY: _____

TEXAS ETHICS COMMISSION
CERTIFICATE NUMBER

EXHIBIT 4**CITY OF DENTON
INSURANCE REQUIREMENTS FOR CONTRACTORS**

Bidder's attention is directed to the insurance requirements below. It is highly recommended that bidders confer with their respective insurance carriers or brokers to determine in advance of Bid submission the availability of insurance certificates and endorsements as prescribed and provided herein. If an apparent low bidder fails to comply strictly with the insurance requirements, that bidder may be disqualified from award of the contract. Upon bid award, all insurance requirements shall become contractual obligations, which the successful bidder shall have a duty to maintain throughout the course of this contract.

STANDARD PROVISIONS:

Without limiting any of the other obligations or liabilities of the Contractor, the Contractor shall provide and maintain until the contracted work has been completed and accepted by the City of Denton, Owner, the minimum insurance coverage as indicated hereinafter.

*As soon as practicable after notification of bid award, Contractor shall file with the Purchasing Department satisfactory certificates of insurance, containing the bid number and title of the project. Contractor may, upon written request to the Purchasing Department, ask for clarification of any insurance requirements at any time; however, Contractors are strongly advised to make such requests prior to bid opening, since the insurance requirements may not be modified or waived after bid opening unless a written exception has been submitted with the bid. **Contractor shall not commence any work or deliver any material until he or she receives notification that the contract has been accepted, approved, and signed by the City of Denton.***

All insurance policies proposed or obtained in satisfaction of these requirements shall comply with the following general specifications, and shall be maintained in compliance with these general specifications throughout the duration of the Contract, or longer, if so noted:

- Each policy shall be issued by a company authorized to do business in the State of Texas with an A.M. Best Company rating of **A or better**.
- Any deductibles or self-insured retentions shall be declared in the bid proposal. If requested by the City, the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the City, its officials, agents, employees and volunteers; or, the contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- Liability policies shall be endorsed to provide the following:
 - Name as additional insured the City of Denton, its Officials, Agents, Employees and volunteers.
 - That such insurance is primary to any other insurance available to the additional insured with respect to claims covered under the policy and that this

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insurance applies separately to each insured against whom claim is made or suit is brought. The inclusion of more than one insured shall not operate to increase the insurer's limit of liability.

- Provide a Waiver of Subrogation in favor of the City of Denton, its officials, agents, employees, and volunteers.
- *Cancellation: City requires 30 day written notice should any of the policies described on the certificate be cancelled before the expiration date.*
- Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this contract and, without lapse, for a period of three years beyond the contract expiration, such that occurrences arising during the contract term which give rise to claims made after expiration of the contract shall be covered.
- Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit providing for claims investigation or legal defense costs to be included in the general annual aggregate limit, the Contractor shall either double the occurrence limits or obtain Owners and Contractors Protective Liability Insurance.
- Should any required insurance lapse during the contract term, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this contract, effective as of the lapse date. If insurance is not reinstated, City may, at its sole option, terminate this agreement effective on the date of the lapse.

EXHIBIT 4**SPECIFIC ADDITIONAL INSURANCE REQUIREMENTS:**

All insurance policies proposed or obtained in satisfaction of this Contract shall additionally comply with the following marked specifications, and shall be maintained in compliance with these additional specifications throughout the duration of the Contract, or longer, if so noted:

[X] A. General Liability Insurance:

General Liability insurance with combined single limits of not less than **\$1,000,000.00** shall be provided and maintained by the Contractor. The policy shall be written on an occurrence basis either in a single policy or in a combination of underlying and umbrella or excess policies.

If the Commercial General Liability form (ISO Form CG 0001 current edition) is used:

- Coverage A shall include premises, operations, products, and completed operations, independent contractors, contractual liability covering this contract and broad form property damage coverage.
- Coverage B shall include personal injury.
- Coverage C, medical payments, is not required.

If the Comprehensive General Liability form (ISO Form GL 0002 Current Edition and ISO Form GL 0404) is used, it shall include at least:

- Bodily injury and Property Damage Liability for premises, operations, products and completed operations, independent contractors and property damage resulting from explosion, collapse or underground (XCU) exposures.
- Broad form contractual liability (preferably by endorsement) covering this contract, personal injury liability and broad form property damage liability.

[X] Automobile Liability Insurance:

Contractor shall provide Commercial Automobile Liability insurance with Combined Single Limits (CSL) of not less than **\$500,000.00** either in a single policy or in a combination of basic and umbrella or excess policies. The policy will include bodily injury and property damage liability arising out of the operation, maintenance and use of all automobiles and mobile equipment used in conjunction with this contract.

Satisfaction of the above requirement shall be in the form of a policy endorsement for:

- any auto, or
- all owned, hired and non-owned autos.

EXHIBIT 4**[X] Workers' Compensation Insurance**

Contractor shall purchase and maintain Worker's Compensation insurance which, in addition to meeting the minimum statutory requirements for issuance of such insurance, has Employer's Liability limits of at least \$100,000 for each accident, \$100,000 per each employee, and a \$500,000 policy limit for occupational disease. The City need not be named as an "Additional Insured" but the insurer shall agree to waive all rights of subrogation against the City, its officials, agents, employees and volunteers for any work performed for the City by the Named Insured. For building or construction projects, the Contractor shall comply with the provisions of Attachment 1 in accordance with §406.096 of the Texas Labor Code and rule 28TAC 110.110 of the Texas Worker's Compensation Commission (TWCC).

[] Owner's and Contractor's Protective Liability Insurance

The Contractor shall obtain, pay for and maintain at all times during the prosecution of the work under this contract, an Owner's and Contractor's Protective Liability insurance policy naming the City as insured for property damage and bodily injury which may arise in the prosecution of the work or Contractor's operations under this contract. Coverage shall be on an "occurrence" basis, and the policy shall be issued by the same insurance company that carries the Contractor's liability insurance. Policy limits will be at least combined bodily injury and property damage per occurrence with an _____ aggregate.

[X] Professional Liability Insurance

Professional liability insurance with limits not less than \$1,000,000 per claim with respect to negligent acts, errors or omissions in connection with professional services is required under this Agreement.

[] Builders' Risk Insurance

Builders' Risk Insurance, on an All-Risk form for 100% of the completed value shall be provided. Such policy shall include as "Named Insured" the City of Denton and all subcontractors as their interests may appear.

[] Commercial Crime

Provides coverage for the theft or disappearance of cash or checks, robbery inside/outside the premises, burglary of the premises, and employee fidelity. The employee fidelity portion of this coverage should be written on a "blanket" basis to cover all employees, including new hires. This type insurance should be required if the contractor has access to City funds. Limits of not less than _____ each occurrence are required.

[] Additional Insurance

Other insurance may be required on an individual basis for extra hazardous contracts and specific service agreements. If such additional insurance is required for a specific

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contract, that requirement will be described in the "Specific Conditions" of the contract specifications.

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ATTACHMENT 1

[X] Workers' Compensation Coverage for Building or Construction Projects for Governmental Entities

A. Definitions:

Certificate of coverage ("certificate")-A copy of a certificate of insurance, a certificate of authority to self-insure issued by the commission, or a coverage agreement (TWCC-81, TWCC-82, TWCC-83, or TWCC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project, for the duration of the project.

Duration of the project - includes the time from the beginning of the work on the project until the contractor's/person's work on the project has been completed and accepted by the governmental entity.

Persons providing services on the project ("subcontractor" in §406.096) - includes all persons or entities performing all or part of the services the contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the contractor and regardless of whether that person has employees. This includes, without limitation, independent contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services on the project. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Services" does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.

- B. The contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any overage agreements, which meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all employees of the Contractor providing services on the project, for the duration of the project.
- C. The Contractor must provide a certificate of coverage to the governmental entity prior to being awarded the contract.
- D. If the coverage period shown on the contractor's current certificate of coverage ends during the duration of the project, the contractor must, prior to the end of the coverage period, file a new certificate of coverage with the governmental entity showing that coverage has been extended.
- E. The contractor shall obtain from each person providing services on a project, and provide to the governmental entity:
 - 1) a certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file certificates of coverage showing coverage for all persons providing services on the project; and

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- 2) no later than seven days after receipt by the contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project.
- F. The contractor shall retain all required certificates of coverage for the duration of the project and for one year thereafter.
- G. The contractor shall notify the governmental entity in writing by certified mail or personal delivery, within 10 days after the contractor knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project.
- H. The contractor shall post on each project site a notice, in the text, form and manner prescribed by the Texas Workers' Compensation Commission, informing all persons providing services on the project that they are required to be covered, and stating how a person may verify coverage and report lack of coverage.
- I. The contractor shall contractually require each person with whom it contracts to provide services on a project, to:
- 1) provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all of its employees providing services on the project, for the duration of the project;
 - 2) provide to the contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;
 - 3) provide the contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
 - 4) obtain from each other person with whom it contracts, and provide to the contractor:
 - a) certificate of coverage, prior to the other person beginning work on the project; and
 - b) a new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
 - 5) retain all required certificates of coverage on file for the duration of the project and for one year thereafter;
 - 6) notify the governmental entity in writing by certified mail or personal delivery, within 10 days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and

EXHIBIT 4

- 7) contractually require each person with whom it contracts, to perform as required by paragraphs (1) - (7), with the certificates of coverage to be provided to the person for whom they are providing services.

- J. By signing this contract or providing or causing to be provided a certificate of coverage, the contractor is representing to the governmental entity that all employees of the contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.

- K. The contractor's failure to comply with any of these provisions is a breach of contract by the contractor which entitles the governmental entity to declare the contract void if the contractor does not remedy the breach within ten days after receipt of notice of breach from the governmental entity.

EXHIBIT 4

Certificate of Interested Parties Electronic Filing

In 2015, the Texas Legislature adopted House Bill 1295, which added section 2252.908 of the Government Code. The law states that the City may not enter into this contract unless the Contractor submits a disclosure of interested parties (Form 1295) to the City at the time the Contractor submits the signed contract. The Texas Ethics Commission has adopted rules requiring the business entity to file Form 1295 electronically with the Commission.

Contractor will be required to furnish an original notarized Certificate of Interest Parties before the contract is awarded, in accordance with Government Code 2252.908.

The contractor shall:

1. Log onto the State Ethics Commission Website at :
https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm
2. Register utilizing the tutorial provided by the State
3. Print a copy of the completed Form 1295
4. Enter the Certificate Number on signature page.
5. Sign and notarize the Form 1295
6. Email the notarized form to purchasing@cityofdenton.com with the contract number in the subject line. (EX: Contract 1234 – Form 1295)

The City must acknowledge the receipt of the filed Form 1295 not later than the 30th day after Council award. Once a Form 1295 is acknowledged, it will be posted to the Texas Ethics Commission's website within seven business days.

EXHIBIT 4

CONFLICT OF INTEREST QUESTIONNAIRE - FORM CIQ
For vendor or other person doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., and Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local government entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. *See* Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

1 Name of vendor who has a business relationship with local governmental entity.

1

2 Check this box if you are filing an update to a previously filed questionnaire.

2

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information in this section is being disclosed.

3

 Name of Officer

This section, (item 3 including subparts A, B, C & D), must be completed for each officer with whom the vendor has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

Yes No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of one percent or more?

Yes No

D. Describe each employment or business and family relationship with the local government officer named in this section.

4 I have no Conflict of Interest to disclose.

4

5

 Signature of vendor doing business with the governmental entity

 Date

EXHIBIT 4

EXHIBIT 4**Exhibit A****CITY OF DENTON SCOPE OF SERVICES****ELECTROMAGNETIC CONDITION ASSESSMENT**

- 1.1 **Scope** – This specification is for furnishing Electromagnetic (EM) Inspection Technology and related services necessary to identify broken wires in PCCP pipelines, locate distressed areas, and to provide a performance risk report based on likelihood of failure, utilizing collected data to perform a subsequent structural analysis with a finite element analysis model, and GIS database model as requested.
- 1.2 **Description:**
 - 1.2.1 EM inspection is applicable for evaluating the current conditions of PCCP, metallic (steel and ductile iron) and Bar Wrapped pipes (BWP). Pipe Inspection and data acquisition may be conducted using a manned cart, a robotic unit or free-swimming PipeDiver® delivery platform. EM technology is utilized to identify distressed pipe sections in pipelines. At the request and authorization of Denton Water Utilities (DWU), visual inspection and sounding (if applicable) will be performed in conjunction with a robotic and/or manned EM inspection.
 - 1.2.2 The robotic EM unit shall be equipped with a pan-tilt-zoom closed-circuit television (CCTV) camera, and the unit shall be operative in submerged conditions. The CCTV camera equipment shall be capable of providing views of the pipe ahead of the equipment and of features to the side and rear of the equipment through turning and rotation of the lens. The camera shall be capable of tilting at right angles along the axis of the pipe while panning the camera lens through a full circle about the circumference of the pipe. The lights on the camera shall also be capable of panning 90-degrees to the axis of the pipe. The camera unit shall have sufficient quantities of line and video cable to inspect as far as 5,000 feet from an access location. Actual inspection distance will be determined based on pipe line configuration and field conditions.
 - 1.2.3 The CCTV equipment shall have a zoom feature and lighting capable of providing general views of the pipeline looking along the pipe up to a distance of five pipe diameters away, including close up views of features.
- 1.3 **CONSULTANT Responsibilities:**
 - 1.3.1 The CONSULTANT shall review all available documentation including as built plans, profiles, intersections, make and lay drawings and grid maps of the pipeline. The CONSULTANT shall perform a site reconnaissance and prepare a written Project Planning Document. The Project Planning Document shall include an aerial map showing the location of the pipeline and insertion points. The Project Planning Document shall include a project specific safety and health plan, personnel, equipment, appropriate Safety Data Sheets (SDS) formally MSDS, equipment disinfection procedures for potable pipeline inspections, confined space entry plan, scope of the project and

EXHIBIT 4

schedule of work activities. The Project Planning Document shall be submitted to DWU for review and approval prior to initiating work.

- 1.3.2 In conjunction with a robotic or manned EMT inspection and as may be requested and authorized by DWU, the CONSULTANT shall perform a visual and/or sounding (sounding is only applicable in embedded PCCP) inspection to identify pipe that may be in severe distress and nearing imminent failure. The CONSULTANT shall visually inspect the pipe interior, and all joints, documenting visual defects, damage, deterioration and other relevant information. In addition, the CONSULTANT shall confirm each length of pipe section and provide an “as – constructed” lay schedule.
- 1.3.3 The CONSULTANT shall furnish test equipment, labor and other related items that are identified in the planning document. The CONSULTANT shall also perform an evaluation of the PCCP using electromagnetic data collected during the inspection.
- 1.3.4 The CONSULTANT shall be responsible for confined space entry requirements, including ventilation and top side support during pipeline inspection.
- 1.3.5 The CONSULTANT may be requested to assist with dewatering the pipeline, as needed.
- 1.3.6 All personnel entering the pipeline(s) shall have received appropriate confined space entry training, OSHA certifications and shall utilize air quality monitors at all times.
- 1.3.7 Visual and sounding findings shall be documented using photographs, if applicable, of the distressed areas and shall be reviewed in conjunction with the “preliminary” results. If areas of immediate concern are identified during the inspection, the findings shall be communicated to the DWU project manager prior to demobilization. Once all information is cross referenced, photography exhibits will be added to the Project Completion Report.
- 1.3.8 The CONSULTANT shall advise the DWU Project Manager prior to demobilization in the event of discovering any significantly distressed pipe section(s), and shall incorporate all findings and documentation in the Project Completion Report to be submitted with the electromagnetic testing data and results.

1.4 Project Completion Deliverables:

- 1.4.1 Upon completion of the inspection, the CONSULTANT shall submit an electronic draft Project Completion Report for DWU review six (6) weeks after a PCCP inspection and nine (9) weeks after a BWP inspection. DWU shall submit comments within five (5) days of receiving the draft report. Two (2) weeks after

EXHIBIT 4

receiving DWU's comments the CONSULTANT shall provide four (4) hard bound copies and an electronic version of the final Project Completion Report.

1.4.2 The report shall contain quantitative and/or qualitative results, as applicable, that identify sections of pipe that are identified as having broken wires/bars, cylinder anomalies or anomalous pipe. The report shall provide an estimated quantity of broken wires or bars on each pipe section. The report can include as applicable, the following:

1.4.2.1 If CCTV was utilized the CONSULTANT shall provide one hard drive containing CCTV Video in MPEG Format and still photos of defects collected during the inspection in a JPEG format.

1.4.2.2 GPS coordinates collected for insertion locations during the project shall be in the draft report.

1.4.2.3 An inspection pipe list that includes identified features, a reference to available pipe drawings and the electromagnetic inspection results.

1.4.2.4 Upon authorization from DWU, finite element modeling will be used to develop engineering risk curves to evaluate distressed pipe.

1.4.2.5 As may requested by DWU, CONSULTANT shall furnish a GIS database and geospatial map modeled from inspection data integrated with geographical information, identifying inspection results with respect to the existing pipeline alignment. GPS points will be collected with Trimble 7 series GPS equipment and shall include the accuracy of each point.

1.5 DWU Responsibilities:

1.5.1 Provide all as built plans, profiles, intersections, make and lay drawings, and grid maps of each pipeline to be surveyed, via an email or FTP site.

1.5.2 Accompany the CONSULTANT during site reconnaissance and provide access to the entire pipeline easement and pipeline appurtenances.

1.5.3 Provide access for ingress/egress for manned and or equipment deployment. DWU will provide access to the transmission mains through one or more of the existing man way points on the subject pipeline as needed. DWU will locate and open access and ventilation points and provide a clear area to allow the CONSULTANT to prepare equipment prior to inserting into the pipeline. All personnel entering the pipeline(s) shall have received appropriate confined space entry training and certification and shall utilize air quality monitors at all times.

EXHIBIT 4

- 1.5.4 DWU will lock-out and tag valves and dewater the selected pipelines to the required level to provide a safe working environment during the Electromagnetic Inspection. DWU will provide a dewatering and lock-out tag-out plan to the CONSULTANT for review and approval.
- 1.5.5 Excavate access holes, and provide shoring as necessary to facilitate the inspection of the pipeline.
- 1.5.6 Provide traffic control as required.
- 1.5.7 Secure Right of Way Management Approval Network (ROWMAN) permits, as needed.
- 1.5.8 Provide and maintain safe and reasonable access to all insertion sites throughout the inspection and obtain any required permits.
- 1.5.9 Provide support personnel during the inspection to open manholes, and operate valves.
- 1.5.10 Implement the contingency plan identified in the planning document.
- 1.5.11 Any additional requirements to complete the inspection that are identified in the Project Planning document that are not included in the CONSULTANT's scope.

EXHIBIT 4

Exhibit B

September 20, 2016

Mamun Yusaf, P.E.
City of Denton
901-A Texas Street
Denton, TX 76209

RE: Electromagnetic Inspection of 30-inch Raw Water Transmission Mains

Dear Mamun:

Pure Technologies U.S. Inc. (Pure Technologies) is pleased to present the following scope of work and fee schedule to perform an electromagnetic inspection of the 30-inch bar wrapped pipe (BWP) raw water transmission main running from the City of Denton Pump Station on Lewisville Reservoir to the City of Denton Water Treatment Plant.

PURE TECHNOLOGIES U.S. INC.

Pure Technologies specializes in the condition assessment of critical pipeline infrastructure – supported by proprietary technologies developed for inspection of pressure pipelines, including water mains and wastewater force mains. Since 1993, Pure Technologies has been a world leader providing non-destructive testing and monitoring technologies to better understand the condition of critical pipeline infrastructure. We have performed inspections on over 8,000 miles of medium and large diameter water pipelines and more than 600 miles of wastewater force mains for more than 120 utilities worldwide. Excavations of pipe sections identified as problematic through Pure Technologies’ inspection methodologies have validated our technologies and capabilities to assess pipeline infrastructure.

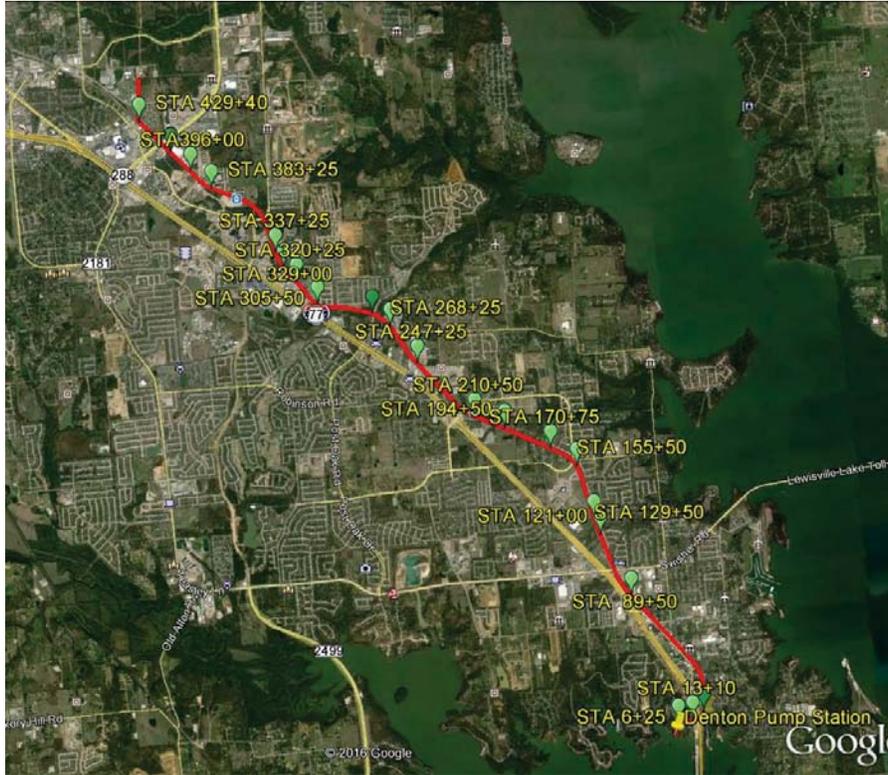
PROJECT BACKGROUND

The 30-inch BWP was manufactured by United Pipe Company and the water main constructed in 1974-75. The water main runs approximately 8 miles from the City of Denton Pump Station located on Lewisville Reservoir north along the east side of the Denton County Transportation Authority’s railway track running parallel to and east of Interstate Highway 35E. The 30-inch water main delivers raw water to the City of Denton Water Treatment Plant located in southeast Denton.

An aerial photograph showing the approximate location of the 30-inch raw water main is presented on the next page.

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Exhibit B



Aerial photograph showing approximate location of the 30-inch BWP raw water main

SCOPE OF SERVICES**ELECTROMAGNETIC INSPECTION OF BAR WRAPPED PIPE (BWP)**

Over the years, bar wrapped pipe has been called various names, including pre-tensioned concrete cylinder pipe (P303), concrete cylinder pipe (CCP), rod wrapped pipe, and C303 pipe. The proper name is Bar-Wrapped Pipe (BWP). The minimum design and manufacturing requirements are covered by the AWWA C303 standard.

BWP is comprised of a welded steel cylinder that serves as a watertight membrane and works together with steel reinforcing bars wrapped under tension around the cylinder to provide strength.

An internal cement mortar lining and external cement mortar coating provide corrosion protection to the steel components. BWP is produced in diameters of 10" to 72", and standard lengths of 24' to 40' (typically 32 feet).

BWP is essentially designed as a steel pipe with mild steel used to manufacture the steel cylinder and steel reinforcing bars. BWP utilizes a cement mortar coating placed over the steel cylinder and bars to protect both the steel reinforcing bars and the steel cylinder. The coating places the

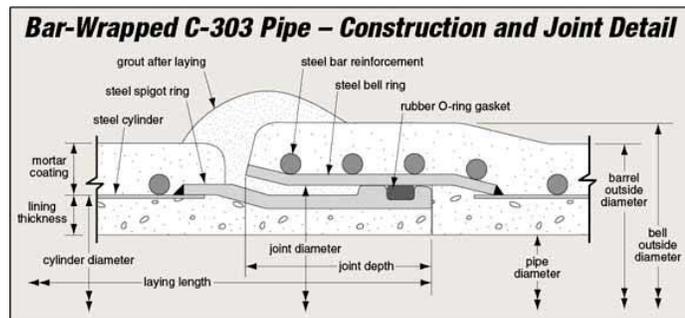


EXHIBIT 4

Exhibit b

steel in an alkaline environment that prohibits corrosion. If the coating deteriorates or is damaged due to improper handling, operations, aggressive environments, etc., the alkaline environment will be compromised which may lead to corrosion of the steel cylinder and bars. As these elements corrode, the steel cylinder and bars will pit, thereby reducing the effective area of steel. If corrosion continues to progress, the pipe will likely develop a small, non-visible leak, which will grow with time. Eventually a large visible leak or a pipe failure will occur.



Examples of BWP deterioration: crack, extensive corrosion, delamination and leakage

There are two important aspects to note regarding the deterioration of BWP:

1. Broken bars: there may or may not be broken bars, as corrosion and deterioration can begin on the bars or on the cylinder.
2. Ductile failure: since the structural elements of BWP consist of mild steel, a brittle (sudden) failure is highly improbable. Rupture can occur, however it usually takes place after an extended period of deterioration, usually preceded by leakage. This has been anecdotally contradicted in field observations, where reported sudden failures have occurred; however, in these cases, it is likely that the pipe was previously leaking for an extended period of time, but the leak was unnoticed.

Evaluating the condition of BWP often involve a combination of technologies and techniques to identify the various signs of deterioration. Signs of deterioration can include degradation of the bars and steel cylinder, leakage, concrete cracking, spalling and deflection. There are various technologies and techniques that are applicable to BWP, each detecting one or more of these signs of deterioration, but none capable of detecting all the signs.

Although the City of Denton has conducted leak inspection on the 30-inch BWP water main in the past, the City is seeking to obtain a better understanding as to the structural integrity of each pipe within the pipeline. Pure Technologies' Enhanced Electromagnetic (EM) inspection technology offers the ability to detect and quantify broken reinforcing bars, while also evaluating wall loss on the steel cylinder due to corrosion.

EM inspection can be performed via a manned cart, a long range multi-sensor robotic unit or a free-swimming PipeDiver® unit.

A standard EM setup utilizes a power source, as well as an electromagnetic exciter (transmitter) and a detector (receiver). Signals created by the electromagnetic field, as well as interruptions or disturbances in the signal caused by broken reinforcing bars and/or significant areas of corrosion, are recorded and post-analyzed by Pure Technologies' data analysts.

EXHIBIT 4

Exhibit B

The ability to detect cylinder damage is highest when the damage is closest to a detector or exciter. For example, calibration testing on a 36-inch BWP pipe with a 10-gauge cylinder found that a five-inch square hole in the cylinder was clearly visible when the detector or exciter was directly underneath it. However, if the cylinder damage is large enough, it should be detectable even if it is far away from detector and exciter. For example, an outlet, which is a large cylinder hole, is detectable using the standard EM setup.

Based on discussions to date with the City of Denton, it is our understanding that the City prefers to inspect the 30-inch water main using Pure Technologies' long rang robotic system, which is equipped with a 24-detector array.

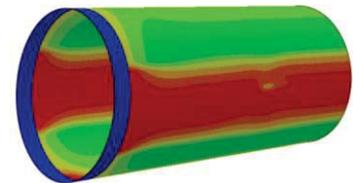
The long range robotic unit is equipped with a 9,000-foot cable; however, the actual distance that the robotic unit can traverse will vary based on the pipeline configuration (bends, slopes, etc.) and interior pipeline condition (bio film, debris, etc.). The robotic unit is also equipped with a high definition pan-tilt-zoom camera that allows for visual inspection of the pipe interior. The quality of the video will depend on the clarity of water that may remain in the pipeline during the inspection. The robotic unit can be deployed in fully submersible conditions; however, the pipeline must be taken out of service and de-pressurized for the duration of the EM inspection.



Long Range Robotic EM Inspection Unit

STRUCTURAL MODELING □ EVALUATION □ PIPE PERFORMANCE RISK CURVE(S)

While the EM inspection technology described herein will provide data on bar breaks and potential areas of wall loss on the steel cylinder, the challenge associated with assessing and managing distressed pipe is determining what level of distress creates an unacceptable level of risk, thereby requiring repair and/or replacement actions.



*Finite Element Modeling
Determines Remaining
Pipe Wall Strength*

Pure Technologies utilizes 3D finite element structural models along with hydraulic evaluation data to deliver a decision making tool – “*Pipe Performance Risk Curve*” - for the management of a pressure main.

Based on the Pipe Performance Risk Curve results, distress in a pipe may be present, but this may not require the immediate rehabilitation or replacement of the pipe section allowing for management and/or monitoring of the deterioration; focusing critical resources on higher risk areas of the infrastructure.

Pure Technologies can develop a Pipe Performance Risk Curve for each pipe design of potential concern, depending on the findings of the EM inspection.

EXHIBIT 4

Exhibit B

FINAL REPORT AND WORKSHOP

Pure Technologies will submit a written report summarizing all inspection results, and providing a risk ranking based on “likelihood” of failure. The report will incorporate all supporting inspection data and documentation, including photographs and video recordings as applicable. Once the City of Denton has reviewed and commented on the report, Pure Technologies will finalize the report and present all findings to the City of Denton via a Workshop.

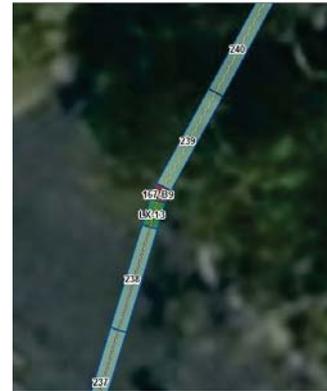
Pure Technologies is able to present all inspection findings in a pipe-by-pipe GIS compilation; whereby the data is delivered in a common spatial data format, such as an ESRI Geodatabase or shapefile.

GIS COMPILATION

GIS data compilation refers to the process of taking multiple sources of input data to create one seamless GIS data set. In the case of Pure Technologies, this usually includes lay sheets, field-collected GPS data, client GIS, inspection/condition assessment data, plan and profile drawings, etc. The goal of data compilation is to take all of the various data sources available to produce the most accurate “pipe-by-pipe” representation possible.

Pure Technologies’ GIS Compilation procedure is an intricate process that begins with digitizing the pipeline with no input GIS features, aside from GPS point locations. Using information found in client lay sheets and plan & profile drawings, a “baseline” representation of the pipeline is digitized. If existing GIS data is available, this information will be used if it is deemed to be as accurate as the plan and profile drawings. GPS data is then used to improve the accuracy of the pipeline. Using bearings, distances, slopes, etc. this baseline is meticulously digitized according to the pipeline specifications.

Once completed, the pipe list is then used to correct the accuracy of the alignment by building a new alignment pipe-by-pipe. The results are compared to known feature locations, with particular attention paid to horizontal bends. Using our advanced techniques, the pipeline is then adjusted and modified until a best match is found between all of the various sources of data. The result is a pipeline representation that is highly accurate in most cases.



*Data output from Pure's
Advanced GIS
Compilation process*

EXHIBIT 4

Exhibit B

CONDITION ASSESSMENT OF THE 30-INCH BWP RAW WATER MAIN

It is our understanding that all air release valve (ARV) appurtenances include an 18-inch flange outlet that will provide access to deploy the robotic unit. Following is a “preliminary” list of chainage stations for ARV locations at which Pure Technologies is proposing to access for deployment of the robotic EM unit.

- Station 13+10
- Station 21+50
- Station 89+50
- Station 129+50
- Station 170+75
- Station 210+50
- Station 247+50
- Station 268+25
- Station 305+50
- Station 329+00
- Station 383+25
- Station 409+00
- Station 429+50

The deployment locations will be evaluated and finalized as part of the site reconnaissance and in coordination with the City of Denton, and will be included in the project planning document. The City of Denton will be responsible for providing access to the 18-inch outlet for deployment of the robotic unit. This will include de-pressurizing of the pipeline, removal of the vault lids, and removal of the ARV's and 18-inch blind flange.

When assessing bar wrapped pipelines, Pure Technologies prefers to conduct two (2) inspection runs. This provides corroborating data by which we can identify any potential false readings.

Based on the requirement to conduct duplicative inspection runs, we estimate that the total time required to complete the robotic inspections will be 10 to 15 days.

FEE SCHEDULE

FEE SCHEDULE	
<i>Site Reconnaissance /Planning Document/Mobilization</i>	\$40,000
<i>Enhanced EM Inspection using Long Range Robotic Unit and Final Report/Workshop</i>	\$471,240
TOTAL	\$511,240
<i>Pipe Performance Risk Curve (if requested)</i>	\$5,400 each
<i>Pipe-by-Pipe GIS Compilation and Deliverable (if requested)</i>	\$1.25 per foot
<i>Pipe Verification Services (if requested)</i>	\$5,000 per day

See page 8 for grand total

EXHIBIT 4

Exhibit B

Additional Notes:

1. City of Denton to provide access to pipeline right-of-way and existing access points (i.e., ARV's, Blow-offs, In-Line Valves, etc.).
2. City of Denton personnel to accompany Pure Technologies' personnel.
3. City of Denton to provide scaffold platform at access locations if deemed necessary to support safe access.
4. City of Denton to de-pressurize the pipeline to accommodate deployment of the robotic EM inspection unit.
5. Local, State or Federal taxes are not included in the proposed fee.
6. The proposed fees are based on performing all work under a single mobilization and complete the work in a contiguous manner without delay. Delays include instances where the City of Denton purposely requests that Pure Technologies stand down. Such instances may occur if the City does not have the access manholes open and available for deployment of the robotic inspection unit, or if the City needs to put the pipeline back into services before the inspection has been completed. In such instances, the City will have the option to request that Pure Technologies go on standby or, if a longer downtime is anticipated, the City can request a remobilization at a later date to be mutually agreed upon by both parties. Standby rate for delays shall be billed at \$7,500 per day. If applicable, a re-mobilization fee of \$35,000 shall apply for the robotic EM inspection.
7. The City of Denton shall be responsible for any permits and associated fees required by the Denton County Transportation Authority or other government agencies. Costs will only include the fees for permits and any additional safety training required by the Transportation Authority or other government agency. The City of Denton will not be responsible for reimbursing wages for Pure Technologies' personnel attending the required training.
8. City of Denton to provide all available reference material including manufacturer's lay drawings, pipe design, specifications, and mapping for the pipeline.
9. City of Denton to notify landowners as may be required.
10. City of Denton to provide traffic control as may be required
11. City of Denton to de-water access vaults as may be required.
12. Pure Technologies to invoice at Site Reconnaissance, Planning Document, Mobilization, Equipment Fee, and Enhanced EM Inspection 80% upon completion of field work. The remaining balance (20%) will be invoiced after completion of the final Workshop.
13. Fees do not include any consideration for permits or special working arrangements and associated costs that may be required by the Denton County Transportation Authority.

Standard turn around on submitting a preliminary report is 10 to 12 weeks following completion of field work. Data analysis can be expedited for an additional fee. A final report and Workshop with the City of Denton will be scheduled following receipt of comments and edits from the City of Denton.

Pure Technologies is committed to providing the City of Denton with the highest quality electromagnetic inspection in an efficient and cost effective manner. If you have any questions, please contact me at (214) 377-5303 (office) or (214) 236-5728 (cell).

Respectfully,

PURE TECHNOLOGIES **INC**



David W. Kurtz, P.E.

EXHIBIT 4

Exhibit B

TASK	Description	Value	Promised Delivery Date ^a
1	Site Reconnaissance/Planning Document/Mobilization	\$ 40,000	March 23, 2017
2	Electromagnetic Inspection of Bar Wrapped Pipe	\$ 451,240	April 14, 2017
3	Structural Modeling and Evaluation/Pipe Performance Curve	\$ 5,400	July 7, 2017
4	Pipe Verification Services	\$ 20,000	August 25, 2017 ^b
5	GIS Compilation	\$ 56,100	July 7, 2017
6	Final Report of Pipe Condition Assessment and Workshop	\$ 20,000	July 7, 2017
GRAND TOTAL		\$ 592,740	

^a Assumes receipt of contract and notice-to-proceed on or before February 13, 2017

^b Assumes City of Denton will provide excavations in advance of visual and external EM verification

D  **PIE**

Dave.Kurtz@puretechltd.com

O: (214) 377-5301

M: (214) 558-9902

4505 Excel Parkway, Suite 600

Addison, TX, 75001

www.puretechltd.com

EXHIBIT 4



Certificate Of Completion

Envelope Id: A5B009FAD60240F4A9134C2EA60FC064 Status: Sent
Subject: City Council Docusign Item - 6281
Source Envelope:
Document Pages: 35 Signatures: 2 Envelope Originator:
Certificate Pages: 6 Initials: 0 Robyn Forsyth
AutoNav: Enabled robyn.forsyth@cityofdenton.com
Envelopeld Stamping: Enabled IP Address: 129.120.6.150
Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Record Tracking

Status: Original Holder: Robyn Forsyth Location: DocuSign
11/18/2016 2:56:48 PM robyn.forsyth@cityofdenton.com

Signer Events

Signature

Timestamp

Robyn Forsyth
robyn.forsyth@cityofdenton.com
Buyer
City of Denton
Security Level: Email, Account Authentication (Optional)
Electronic Record and Signature Disclosure:
Not Offered via DocuSign
ID:

Completed

Using IP Address: 129.120.6.150

Sent: 11/18/2016 3:05:02 PM
Viewed: 11/18/2016 3:05:17 PM
Signed: 11/18/2016 3:05:43 PM

John J. Galleher Jr. P.E.
John.Galleher@puretechltd.com
Vice President, Western Region
Security Level: Email, Account Authentication (Optional)
Electronic Record and Signature Disclosure:
Accepted: 11/21/2016 6:25:19 AM
ID: 2ac73680-9d72-46a9-88c4-b81755016a41

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John J. Galleher Jr. P.E.
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Electronic Record and Signature Disclosure:
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John Knight
C821996C2A2B439...

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(Optional)

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Electronic Record and Signature Disclosure

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You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: kevin.gunn@cityofdenton.com

To advise City of Denton of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at kevin.gunn@cityofdenton.com and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

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To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to kevin.gunn@cityofdenton.com and in the body of such request you must state your e-mail, full name, IS Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	<ul style="list-style-type: none">•Allow per session cookies•Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

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Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

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