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Email: acosta@insituform.com

March 4, 2016

Mr. Scott Solomon City of Delray Beach 434 S. Swindon Ave Delray Beach, FL 33444

Re: Delray Beach 5th Avenue Emergency CIPP Rehabilitation

Dear Mr. Solomon,

Insituform Technologies, LLC, ("ITLLC") is pleased to provide the following proposal to **City of Delray Beach**, hereinafter referred to as "Customer", for the scope of work detailed below for the above-referenced Project.

INSITUFORM SCOPE OF WORK / RESPONSIBILITIES

ITLLC will provide the following:

- 1. Mobilization and demobilization of personnel, equipment, and materials to and from the Project site. The price presented is based upon one (1) instance of mobilization and demobilization.
- Install polyester resin impregnated CIPP liner in accordance with ASTM F1216 or F1743 using either water
 or air/pull-in/steam, at the discretion of ITLLC. We have not included any costs associated with the
 disposal of inversion water (assumed to be able to be discharged into sanitary sewer).
- 3. Internal reinstatement of all service connections as directed by the Customer or their representative.
- 4. CCTV inspection of the pipe before and after the lining is complete.
- 5. Removal of corbel section, and restoration at MH 47.
- 6. Roadway collapse repair/restoration and striping at MH 46.
- 7. Standard ITLLC one-year warranty from date of installation, excluding any required warranty TV inspection and/or testing.
- 8. Standard insurance coverage with the following limits:

General Liability: \$2,000,000 per occurrence/\$4,000,000 aggregate

Auto: \$2,000,000 Combined Single Limit

Workers Compensation: Statutory with \$1,000,000 Employer's Liability

The above insurance shall not include Primary and Non-Contributory Coverage and ITLLC shall not provide a Waiver of Subrogation endorsement.

NOTE: Modifications to the Scope of Work/Responsibilities of ITLLC may result in a change in price and/or duration.

ASSUMPTIONS AND QUALIFICATIONS

ITLLC's Proposal Pricing is based upon the following assumptions and clarifications:

- 1. ITLLC assumes the work will be completed during dry weather conditions.
- 2. Quantities are estimated. Customer shall be invoiced for actual quantities at the above unit prices.

3. ITLLC is an open-shop company and shall not be subject to any union requirements or agreements and will not enter into any Project Labor Agreement or any such similar agreement for this Project. Where required by the Contract Documents, ITLLC will pay the Prevailing Wages then in effect for the Project and will submit Certified Payroll Reports in a timely manner.

PROPOSAL PRICING

ITLLC proposes the following pricing for the scope of services described herein:

Item	Description	Unit	Qty	Unit Price	Total Price
1	Mobilization	LS	1	\$2,276.70	\$2,276.70
2	CIPP 36" x 16.5	LF	531	\$209.20	\$111,085.20
3	Clean & CCTV 36'	LF	531	\$27.10	\$14,390.10
4	Disposal of Debris	LS	1	\$2,366.00	\$2,366.00
5	Bypass	LS	1	\$14,817.00	\$14,817.00
6	Remove and replace corbel for Installation	LS	1	\$21,057.00	\$21,057.00
7	Repair Cave In	LS	1	\$18,927.60	\$18,927.60
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	TOTAL				\$184,919.60

EXCLUSIONS:

The following items are excluded from ITLLC's above Pricing and Scope of Services / Responsibilities stated in this Proposal. These items, if necessary, applicable or otherwise required, shall be furnished by Customer, at Customer's direction and at no cost to ITLLC or may, upon mutual agreement in writing between ITLLC and Customer, be provided by ITLLC at an additional cost:

- 1. Permits, licenses and construction easements.
- 2. Manual operation of any pumping and/or metering stations.
- 3. Environmental/erosion controls (i.e., hay bales, silt fence etc.) that may be required adjacent to manholes, access points and/or water supply hose.
- 4. Access to and use of fire hydrants and/or sufficient water supply (within 500 ft. of the installation site) to complete flushing and CIPP installation.
- 5. Burial and/or ramping of discharge or bypass hose/pipe.
- 6. External service reconnections.
- 7. Obstruction removal (calcium, concrete, mineral deposits, roots, etc.) and/or protruding tap removal.
- 8. Point repairs.
- 9. Bypassing of services or laterals.
- 10. Repair of pipe damaged during any industry standard high-pressure jet cleaning operations, preparation or lining and any subsequent cleaning necessary to remove debris that has fallen into the pipe as a result of any such collapse or repair.
- 11. Directives setting forth which service connections must be reinstated prior to final CCTV inspection.
- 12. Locations of and access (of ITLLC equipment and/or personnel) to all manholes associated with the project and as required by ITLLC's work plan.
- 13. Payment and Performance bonds. If payment and performance bonds are required, add 2.5% to the total Project cost.
- 14. Removal and disposal of any hazardous or toxic materials encountered during the Project.
- 15. Holiday work, rush delivery of liner materials or adverse weather work (as defined by ITLLC).

- 16. Complete independent testing of liner samples from each installation. Will be provided if required per specifications.
- 17. Certified Professional Engineer stamped designs. Will be provided if required in specifications.
- 18. State and local sales and/or use taxes.
- 19. Additional premiums for special insurance coverage(s) specific to this project.

GENERAL TERMS AND CONDITIONS:

- 1. ITLLC's Proposal is conditioned upon Customer's acceptance of the terms and conditions set forth herein. Customer's ordering of material or services by purchase order or otherwise, shall be treated as Customer's acceptance of such terms and conditions. All terms and conditions in Customer's purchase order or in any other communication to ITLLC, whether submitted previously or subsequently to this Proposal, which are additional to or inconsistent with the terms and conditions of this Proposal are not binding upon ITLLC and shall not be applicable to this Proposal, except to the extent accepted in writing by ITLLC. Any change or amendment to this Proposal, to be binding upon ITLLC, must be accepted in writing by ITLLC.
- 2. ITLLC has based its Proposal on a nominal wall thickness for the Insitutube as shown in the price. This is based on the best available information at the time of this Proposal. Existing pipe deterioration in excess of the conditions assumed, ground water loads in excess of those assumed, or other loads or conditions may increase the recommended thickness for all or portions of the work. Final recommendations may be submitted to you following the completion of the preliminary TV phase of the project. Stated prices are subject to adjustment if design changes are agreed upon.
- 3. Specific service connections will be reconnected only when written directions are received from the Customer. The Customer will indemnify and hold ITLLC harmless from all claims arising from backups and other effects of such actions or inaction's from services not opened at the owner's request. In the event that Insituform is unable to locate or reconnect a service lateral internally, the Customer will externally reconnect the service at no cost to ITLLC.
- 4. This Proposal is valid for 30 days, unless otherwise extended by ITLLC.
- 5. PAYMENT: Payment is due in full, without exception or retention, within 30 days of the date of the invoice. Monthly partial progress payments may be requested for the value of work in progress or completed, including materials delivered to the Project site. Payments due and unpaid shall bear interest at the rate of 1½ % per month from the date payment is due. Should ITLLC incur costs or expenses to collect monies claimed due hereunder from Customer, Customer shall pay to ITLLC, in addition to all other sums due to ITLLC, attorneys' fees, consultants' costs, and other expenses and costs, including but not limited to litigation and/or arbitration expenses and arbitrator compensation, in connection therewith.
- 6. ITLLC is not a union shop and shall not be subject to any union requirements or agreements or project labor agreements. On public projects where required, ITLLC will pay prevailing wages as identified by Customer prior to submission of this Proposal.
- 7. Should ITLLC learn of any information that causes ITLLC concern about Customer's ability to pay and/or perform any of its obligations owing to ITLLC under Proposal, ITLLC has the right to request Customer to provide ITLLC adequate assurance of due performance on such terms as are deemed reasonable by ITLLC when acting in good faith, including the right to await full or partial payment from Customer as required by ITLLC. In such an instance, ITLLC may suspend its performance pending ITLLC's receipt of adequate assurance of due payment and/or performance in a manner found acceptable by ITLLC.
- 8. ITLLC shall not be responsible for any inability to perform under this Proposal or for any loss or damage due to delays or disruptions resulting directly or indirectly from, or contributed to by, any act of God, action or omission of Customer, act of civil or military authorities, fire, strike or other labor dispute, accident, flood, adverse weather, war, riot, terrorism, transportation delay, inability to obtain material or fuel supplies, or any other circumstances beyond ITLLC's reasonable control, whether similar or dissimilar to any of the foregoing. If ITLLC crews are delayed on site for reasons beyond the control of ITLLC, then ITLLC's standby time will be invoiced to Customer at an hourly rate of \$1,200 per hour.
- 9. Claims for Changed, Concealed or Unknown Conditions: If conditions are encountered at the site which are (1) materially changed; (2) subsurface or otherwise concealed physical conditions which differ materially from the information upon which this Proposal is based or (3) unknown physical conditions of an unusual nature, which differ materially from those ordinarily found to exist and generally recognized

as inherent in construction activities of the character provided for herein, then the Proposal Price and Time shall be equitably adjusted to address the conditions, where prior written notification and approval of claims exist.

- 10. LIMITED WARRANTY: ITLLC WARRANTS TO CORRECT ANY DEFECT IN THE MATERIALS OR SERVICES PROVIDED BY ITLLC WHICH ARE BROUGHT TO THE ATTENTION OF ITLLC IN WRITING WITHIN ONE YEAR FOLLOWING COMPLETION OF ITLLC'S WORK, PROVIDED CUSTOMER AFFORDS ITLLC SUITABLE ACCESS AND WORKING CONDITIONS TO ACCOMPLISH SUCH CORRECTION.
- 11. Except for the express warranty forming a part of this Proposal, ITLLC DISCLAIMS ALL EXPRESS AND IMPLIED WARRANTIES, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY. ITLLC'S LIABILITY TO CUSTOMER, WHETHER IN CONTRACT, WARRANTY, TORT OR OTHERWISE, IS LIMITED TO THAT PERMITTED UNDER THIS PROPOSAL, ITLLC Shall NOT BE LIABLE TO CUSTOMER FOR ANY SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOSS OF USE, LOST TIME, DELAY, DISRUPTION, INTERFERENCE, LOSS OF PRODUCTIVITY, INCONVENIENCE, LOST INCOME, OR LOST PROFITS.
- 12. This agreement may be terminated by either party upon seven (7) days written notice should the other party fail substantially to perform in accordance herewith through no fault of the party initiating the termination.
- 13. The terms and conditions of this Proposal form the entire agreement between the parties. All other terms, proposals, negotiations, representations, recommendations, statements or agreements, whether made or issued contemporaneously or previously, are excluded from and are not a part of this Proposal, and have no binding or enforceable effect. This Proposal, if accepted, shall be binding on the parties and their respective successors and assigns.

The information contained in this letter is proprietary to Insituform Technologies, LLC. and shall be retained by the recipient in confidence and shall not be published or otherwise disclosed to third parties without the express written consent of Insituform Technologies, LLC. The foregoing shall not preclude the use of any data which (i) was in its possession without restriction as to use prior to receipt as proprietary of the same or similar data from Insituform Technologies, LLC., (ii) is or becomes available from a public source on or after such receipt from Insituform Technologies, LLC. or (iii) is obtained by the recipient from a third party not under obligation of confidentiality or other restriction with respect to use.

Please do not hesitate to contact me with any further questions.

Very truly yours,

Insituform Technologies, LLC.

Andrew Costa Business Development Manager

Accepted By:		Date:	
, , ,	(signed)		
		Title:	
	(print name)	<u> </u>	