

RECEIVED

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

AUG 19 2019  
PUBLIC SERVICE  
COMMISSION

In the Matter of:

APPLICATION OF GRAVES COUNTY )  
WATER DISTRICT FOR AN ALTERNATIVE ) CASE NO. 2018-00429  
RATE ADJUSTMENT )

**SUPPLEMENTAL PROPOSAL OF GRAVES COUNTY WATER DISTRICT  
FOR A WATER LOSS DETECTION AND REPAIR SURCHARGE**

Graves County Water District ("Graves District") submits this supplemental proposal for the establishment of a monthly water loss detection and repair surcharge.

1. **Original Proposal.** In its application for rate adjustment, Graves District proposed to increase test period contractual service expense by \$136,932 to reflect the annual projected cost of a three-year effort to locate and repair water leaks. This proposal reflected the labor and transportation cost of a two-person crew searching for leaks within Graves District's water systems for four hours each workday (approximately 2,080 hours annually) and the estimated materials and labor cost to repair detected leaks. Exhibit A shows the calculations for this proposal.

2. **Commission Staff Proposal.** In its Report to the Commission, Commission Staff found that water loss detection and repair expense were more appropriately recovered through a monthly surcharge and recommended that, in lieu of adjusting test period expenses to reflect Graves District's proposal, the Commission authorize a monthly surcharge of \$3.20 to be collected for a period of three years from each customer. The recommended surcharge would produce annual revenues of \$183,323, which represents the estimated annual cost of the detection and repair program and the annual cost of excessive water loss. Commission Staff

proposed restrictions on the use of the surcharge proceeds the imposition of several reporting requirements on the collection and use of the proceedings.

3. **Supplemental Proposal.** During the August 6, 2019 hearing, the Commission encouraged Graves District to review its water loss detection and repair efforts and submit a supplemental proposal that would adequately fund such efforts. Graves District has reviewed its original proposal and has revised that proposal to fund a more robust and effective program that is expected to more effectively reduce water loss.

a. **Scope of Proposed Program.** Graves District proposes to expand the scope of its original proposal. To better ascertain the extent of its water loss and to identify leaks more quickly and efficiently, Graves District proposes to create 35 District Metered Areas (“DMAs”). Water usage for each area would be metered with a meter connected to Mayfield Electric and Water System’s (“Mayfield”) Automated Meter Infrastructure. Mayfield could monitor water usage within each zone and quickly identify excessive water usage in a DMA. Once excessive water usage is identified, leak sensors would be deployed in the DMA. These sensors would narrow the area of the leak. The leak detection team would then verify the leak location and a work crew would be deployed to repair the leak.

Graves District estimates the cost to create one DMA is approximately \$10,951. A breakdown of this cost is shown in Table 1 below. This cost involves the cost of the metering equipment, the labor and transportation and equipment costs involved in the installation, and the labor and transportation costs to physically verify the individual customer meters within the newly created DMA. Graves District’s estimate is based upon Mayfield’s recent installation of six-inch sub-meter in its system. Because meter costs will vary with the meter size and the installation costs will vary due to meter size, the size of the main to which the meter is

connected, and the depth of the connected main, Graves District has included in its estimate a fifteen percent contingency. Price quotes for the meter equipment and flanges are attached as Exhibits 1 and 2.

**TABLE 1**

Meter	\$ 5,295
Flanges (2 Flanges per meter)	\$ 1210
Labor (2 persons @ 8 hours @ \$40 per hour)	\$ 640
Trackhoe (2 hours @ \$50 per hour)	\$ 100
Labor/Transportation/Administrative Costs to Verify Meters within DMA (134 meters @ \$17 per meter)	\$ 2,278
15% Contingency	\$ 1,428
<b>Total Per DMA:</b>	<b>\$10,951</b>

Graves District also proposes to purchase a hydro-excavator truck at an estimated cost of \$300,000 to perform leak repairs. Hydro excavation is the process of removing or moving soil with pressurized water. An air conveyance or vacuum is then used to transfer the soil or debris to a debris tank. Hydro-excavation allows for better damage and safety control than mechanical methods. It avoids damage to underground pipes, lines and cables and reduces the likelihood of accidents and injuries for laborers as well as other people. Acquiring such a vehicle and having it immediately available for the Graves District's use would reduce Graves District's response time to repair leaks and thus reduce the amount of lost water. It would also reduce labor and equipment costs associated with leak repair. A price quote is attached as Exhibit 3.

Graves District also proposes to purchase a Mikron 3 listening device at a cost of \$5,280 and twenty (20) noise logger devices and related equipment at a cost of \$17,545. Once a leak is detected within a DMA, Graves District will use this equipment to identify the precise location of the leak. Price quotes for this equipment are attached as Exhibits 4 and 5.

Graves District has recalculated the labor and transportation expense associated with leak detection and repair to cover a six-year period rather than the original proposal of three years. It

estimates annual labor and transportation costs related to leak detection will be \$90,285.<sup>1</sup> This estimate assumes a two-person crew searching for leaks within Graves District's water systems for four hours each workday (approximately 2,080 hours annually) at a wage rate of \$40 per hour and travelling approximately 50 mile per day at a mileage rate of \$0.545 per mile. It further assumes that 200 leaks will be repaired in the first year of the program, 100 leaks will be repaired in the second year, and 50 leaks will be repaired in each of the remaining four years. It estimates the costs associated with labor and materials to repair a leak at \$400.<sup>2</sup>

Total estimated cost of the proposed program is summarized in Table 2 below:

Establishment of 35 DMAs	\$ 383,285
Purchase of Hydro-Excavator Truck	\$ 300,000
Purchase of Leak Detection Equipment	\$ 22,825
Loss Detection (Labor & Transportation)	\$ 541,710
Loss Repair (Labor & Transportation)	\$ 200,000
<b>Total:</b>	<b>\$1,447,820</b>

The actual cost of the program may exceed the estimated amount if Graves District's assumptions regarding the number of leaks and the creation of DMAs prove inaccurate. Furthermore, the total estimated program cost does not include financing costs. To have an immediate impact, Grave District proposes to use the income stream from the proposed monthly surcharge as security for a two-year note to obtain sufficient funds to purchase immediately the equipment and materials necessary to implement portions of its plan, including the purchase of DMA meters, listening equipment and a hydro-excavator truck.

b. Surcharge Amount. To finance the proposed program, Graves District proposes to assess a monthly surcharge of \$5.00 for a period of 72 months. Based upon the number of customers that Graves District served as of December 31, 2018, the proposed

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<sup>1</sup> Total labor and transportation cost = 6 years x \$90,285 = \$541,710.

<sup>2</sup> Total leak repair cost = (200 leaks x \$400) + (100 leaks x \$400) + (4 years x (50 leaks x \$400)) = \$200,000.

surcharge would produce approximately \$1,721,160.<sup>3</sup> Graves District acknowledges that the expected total revenues exceed the estimated program costs. Given that the accuracy of the estimate of the program costs cannot be gauge until the program has commenced and operated for at least a two-year period, Graves District submits that the more prudent course is to establish the monthly surcharge amount at the proposed level and then make any necessary adjustments after the Commission has reviewed the program's actual operations.

c. Surcharge Conditions. Graves District proposes the following conditions be imposed upon its assessment and collection of the monthly surcharge:

i. Surcharge proceeds shall be used solely for the items identified in the Scope of Proposed Program. Graves District may use the proceeds for other purposes related to water loss detection and repair but only upon providing the Commission 30 days prior notice and the Commission within that 30-day period not issuing a written objection to the proposed use or requesting a delay in the proposed use to allow for further Commission review of the proposed use. If objection or request for delay is issued, Graves District shall not proceed with the proposed use until receiving written Commission approval for the use.

ii. Surcharge proceeds shall not be used for any expenditures incurred prior to the Commission's approval of the assessment and collection of the proposed surcharge.

iii. Surcharge proceeds shall be deposited and maintained in a separate, interest bearing account.

iv. Graves District shall submit monthly reports to the Commission that include at a minimum a statement of monthly surcharge billings and collections; the monthly statement for the surcharge account from the bank in which the account is maintained; a statement listing each disbursement from the surcharge bank account, the purpose of the

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<sup>3</sup> 4,781 customers x 72 months x \$5.00 per month = \$1,721,160.

disbursement and the person or entity receiving the disbursement; and a supporting invoice for each disbursement from the account.

v. Graves District shall submit a monthly report to the Commission of Graves District's water usage in the format the Commission designates. This report may be submitted in electronic format and by electronic mail.

vi. The surcharge and water loss detection and repair program is subject to biennial Commission reviews that will examine the progress of the water loss detection and repair program and expenditures made with surcharge proceeds and consider adjustments to the program and the surcharge amount.

vii. Graves District's failure to comply with any of these conditions constitutes sufficient grounds for termination of the surcharge's assessment and collection and the refund of all collected surcharge proceeds.

Wherefore, Graves District requests that the Commission accept its Supplement Proposal for a Water Loss Detection and Repair Surcharge and authorize its assessment and collection of a monthly surcharge of \$5.00 for a period of six years subject to the proposed conditions.

Dated: August 19, 2019

Respectfully submitted,



Gerald E. Wuetcher  
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Lexington, Kentucky 40507-1801  
Telephone: (859) 231-3017  
Fax: (859) 259-3597  
gerald.wuetcher@skofirm.com

*Counsel for Graves County Water District*

## **EXHIBIT LIST**

<b><u>Exhibit</u></b>	<b><u>Title</u></b>
1	Price Quote on Omni Meters
2	Price Quote on Flanges
3	Price Quote on Gap Vax 2020 VHE0508-3S3X Hydro Excavator
4	Price Quote on Mikron 3 Alpha Gamma Listening Device
5	Price Quote on Noise Loggers

# **EXHIBIT 1**





THE C.I. THORNBURG CO., INC.  
140B AMBASSADOR DRIVE  
BOWLING GREEN, KY 42101  
Phone 270-843-0852  
Fax 270-780-9894



## Quotation

EXPIRATION DATE	QUOTE NUMBER
08/30/2019	S100090383
THE C.I. THORNBURG CO., INC. 140B AMBASSADOR DRIVE BOWLING GREEN, KY 42101 Phone 270-843-0852 Fax 270-780-9894	
PAGE NO.	
1 of 1	

QUOTE TO:

SHIP TO:

MAYFIELD ELECTRIC/WATER SYSTEM  
301 EAST BROADWAY  
P O BOX 347  
MAYFIELD, KY 42066

MAYFIELD ELECTRIC/WATER SYSTEM  
301 EAST BROADWAY  
MAYFIELD, KY 42066

CUSTOMER NUMBER	CUSTOMER PO NUMBER	JOB NAME / RELEASE NUMBER	SALESPERSON		
5210	C2 QUOTE		Hunt McCollum		
WRITER		SHIP VIA	TERMS	SHIP DATE	FREIGHT ALLOWED
Pete Dowell		68/80 WEST	NET 30 DAYS	07/30/2019	No
ORDER QTY	DESCRIPTION			UNIT PRICE	EXT PRICE
1ea	4" OMNI C2 100G AMR 10G PULSE 23" LONG C41XXXXG1BAXX METER W/ STRAINER			3125.000/ea	3125.00
1ea	6" OMNI C2 100G AMR 10G PULSE 24" LONG METER C63XXXXG1BA0X W/ SN & ID SAME W/STRAINER			5295.400/ea	5295.40
1ea	8" OMNI C2 1000G AMR 10G PULSE 30-1/8" LONG METER C83XXXXG1DAXX W/STRAINER			8554.350/ea	8554.35
Extras not listed or spelled out are not included in pricing. We reserve the right to correct clerical errors.				Subtotal	16974.75
				S&H Charges	0.00
				Amount Due	16974.75

# **EXHIBIT 2**



# Bid Proposal for Mayfield Water Quote 07/01/19

CUSTOMER	<b>MAYFIELD ELECTRIC &amp; WATER SYST</b> 1221 COMPRESSOR DRIVE MAYFIELD, KY 42066	<b>Job</b> Mayfield Water Quote 07/01/19 Bid Date: 07/01/2019 12:00 p.m. Bid #: 1032377
	<b>Sales Representative</b> Casey Shaff (M) 270-438-3509 (T) 270-783-8721 (F) 270-783-8723 Casey.Shaff@coreandmain.com	<b>Core &amp; Main</b> 3352 Industrial Dr Bowling Green, KY 42101 (T) 270-783-8721
CONTACT		
NOTES		



## Bid Proposal for Mayfield Water Quote 07/01/19

**MAYFIELD ELECTRIC & WATER SYST**

**Bid Date:** 07/01/2019 12:00 p.m.

**Core & Main 1032377**

**Core & Main**

3352 Industrial Dr

Bowling Green, KY 42101

**Phone:** 270-783-8721

**Fax:** 270-783-8723

Seq#	Qty	Description	Units	Price	Ext Price
20	2	874-54-06021712 8X6 HYMAX FLG	EA	605.53	1,211.06
<b>Sub Total</b>					<b>1,211.06</b>
<b>Tax</b>					0.00
<b>Total</b>					<b>1,211.06</b>

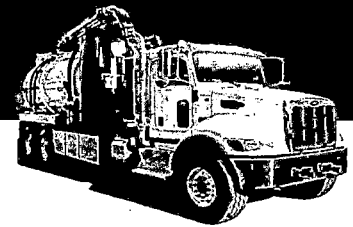
**Branch Terms:**

UNLESS OTHERWISE SPECIFIED HEREIN, PRICES QUOTED ARE VALID IF ACCEPTED BY CUSTOMER AND PRODUCTS ARE RELEASED BY CUSTOMER FOR MANUFACTURE WITHIN THIRTY (30) CALENDAR DAYS FROM THE DATE OF THIS QUOTATION. CORE & MAIN LP RESERVES THE RIGHT TO INCREASE PRICES UPON THIRTY (30) CALENDAR DAYS' NOTICE TO ADDRESS FACTORS, INCLUDING BUT NOT LIMITED TO, GOVERNMENT REGULATIONS, TARIFFS, TRANSPORTATION, FUEL AND RAW MATERIAL COSTS. DELIVERY WILL COMMENCE BASED UPON MANUFACTURER LEAD TIMES. ANY MATERIAL DELIVERIES DELAYED BEYOND MANUFACTURER LEAD TIMES MAY BE SUBJECT TO PRICE INCREASES AND/OR APPLICABLE STORAGE FEES. THIS BID PROPOSAL IS CONTINGENT UPON BUYER'S ACCEPTANCE OF SELLER'S TERMS AND CONDITIONS OF SALE, AS MODIFIED FROM TIME TO TIME, WHICH CAN BE FOUND AT: <https://coreandmain.com/TandC/>

# **EXHIBIT 3**

## 2020 VHE0508-3S3X HYDRO EXCAVATOR

QUOTE ID: 1900043648.38



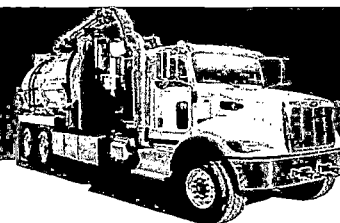
OPTION DESCRIPTION		NOTES	QTY
<b>CHASSIS OPTIONS</b>			
CHA140	PETERBILT 348 4 X 2 - 350 HP - 50,000 LB. GVWR - AUTO	MODEL YEAR 2020	1
	PACCAR PX-9 RATED FOR 350 HP	CONSULT FACTORY	
	ALLISON 6 SPEED AUTOMATIC	PRICES MAY VARY	
	20,000 LB FRONT AXLE		
	30,000 LB REAR AXLE		
<b>DEBRIS BODY OPTIONS</b>			
STD	8 USABLE YARD DEBRIS TANK MADE OF 3/16" ASTM A-572 GRADE 50 EXTEN STEEL		STANDARD
STD	FULL-OPENING REAR TAILGATE		STANDARD
STD	STAINLESS STEEL TAILGATE SEALING ROD		STANDARD
STD	FOUR HYDRAULIC REAR DOOR LOCKS		STANDARD
STD	DUAL TAILGATE LIFT CYLINDERS		STANDARD
STD	THREE TIE-OFF ANCHORS ON TOP OF BODY		STANDARD
STD	FIVE YEAR WARRANTY ON DEBRIS TANK AND WATER TANK AGAINST RUST THROUGH, DISTORTION AND CRACKS		STANDARD
A2A	DRAIN AT BOTTOM OF TAILGATE - 6" BRASS LEVER VALVE WITH 15' OF LAY FLAT HOSE	VALVE IS NOT 100% LEAK PROOF	1
A3-CS	LEVEL INDICATOR ON SIDE OF DEBRIS TANK		
A12A	FILTER SCREEN FOR DRAIN VALVE (LONG BOX)	REQUIRES A2	
A21	CURBSIDE LADDER TO PORT INSPECTION AREA		
A22A	GALVANIZED BOLT-ON SPLASH SHIELDS		
A23	ELECTRIC VIBRATOR FOR DEBRIS TANK	REQUIRES A20	1
A18	PURGE VALVE AT GRAVITY DRAIN (1-1/4" BALL VALVE)		1
<b>WATER TANK OPTIONS</b>			
STD	500 GALLON WATER TANK MADE OF 3/16" 304 STAINLESS STEEL		STANDARD
STD	4" HIGH ANTI-SIPHON RING WITH (4) 2-1/2" HOLES		STANDARD
STD	DRAIN VALVE AT BOTTOM OF WATER TANK		STANDARD
STD	3" FILL LINE WITH 2-1/2" FIRE HOSE CONNECTION CURBSIDE		STANDARD
STD	3" WATER STRAINER WITH STAINLESS STEEL SCREEN ON WATER TANK FILL LINE		STANDARD
STD	3" SUPPLY LINE TO WATER PUMP MOUNTED AT REAR OF TANK		STANDARD
B23A	GALVANIZED BAFFLES IN THE WATER TANK	NOT COMPATIBLE WITH THIS WATER TANK	1
<b>VACUUM SYSTEM OPTIONS</b>			
STD	ROOTS TYPE VACUUM PUMP 3,500 CFM AND 16" HG		STANDARD
STD	DUAL STAINLESS STEEL SUTOFF FLOAT BALLS		STANDARD
STD	NOISE & VIBRATION DAMPENING MOUNTS		STANDARD
STD	STAINLESS STEEL VEE-WIRE SAFETY SCREEN		STANDARD
STD	6" SAFETY VACUUM RELIEF		STANDARD
STD	EMERGENCY STOP FUNCTION FOR VACUUM		STANDARD

	<b>WATER SYSTEM OPTIONS</b>	
STD	3" BALL VALVE ON WATER SUPPLY LINE TO WATER PUMP	STANDARD
STD	LOW POINT DRAIN VALVES ON WATER LINES	STANDARD
D27AHA	10 GPM / 2,500 PSI HYDRAULIC DRIVE	NOT COMPATIBLE WITH D21
D7B	50' X 1/2" HAND GUN REEL FOR HX CIRCUIT	1
D334	UPGRADE WATER ON/OFF VALVE TO 1/2" IN LIEU OF 3/8"	1
D18	AIR OUT SYSTEM FOR HX CIRCUIT	1
D35B	1/2" HX LANCE WITH 6' EXTENSION AND RIPSAW NOZZLE	1
	<b>BOOM OPTIONS</b>	
STD	8' FRONT MOUNTED TELESOPING BOOM WITH 26' REACH AND 180 DEG. ROTATION	STANDARD
	<b>CONTROLS, GUAGES, ACCESSORIES OPTIONS</b>	
STD	OPERATOR CONTROL PANEL ON CURBSIDE	STANDARD
STD	CAB-MOUNTED AIR SHIFT CONTROLS FOR BLOWER, HYDRAULICS, WATER PUMP	STANDARD
STD	EMERGENCY STOP DE-ENERGIZE WATER PUMP AND BREAK VACUUM	STANDARD
STD	30' PENDANT REMOTE WITH BOOM FUNCTIONS	STANDARD
G3A	INTELLI-TANK WATER LEVEL DISPLAY WITH ALARM	1
G6	BLOWER TEMPERATURE GUAGE WIRED TO VACUUM RELIEF	1
G21B	WIRELESS REMOTE WITH BOOM, VACUUM AND HX WATER ON/OFF	1
	<b>LIGHTING</b>	
STD	TRUCK-LITE LED RUNNING (MARKER) LIGHTS	STANDARD
STD	LED STOP/TAIL/TURN LIGHT WITH POLISHED STAINLESS STEEL BOXES	STANDARD
H1	ONE STROBE LIGHT FRONT - WHELEN L10 SUPER LED	1
H5B	(2) BOOM WORK LIGHTS - HELLA OPTILUX LED WORK LIGHTS (PN: LHT022429)	1
H6B	(2) REAR WORK LIGHTS - HELLA OPTILUX LED WORK LIGHTS (PN: LHT022429)	1
H22	REAR ARROW LIGHT - LED 44" WIDE	1
	<b>STORAGE OPTIONS</b>	
STD	TWO (2) GALVANIZED STEEL TUBE TRAYS	STANDARD
I6C-DS	UPGRADE STD. TOOLBOX TO ALUMINUM, 30" WIDE X 24" TALL X 24" DEEP, MOUNTED ON THE DRIVER'S SIDE	1
I13	TUBE RACK - THREE TUBE RACK - NON-FOLDING	1
I14	TRAFFIC CONE HOLDER ON DRIVER'S SIDE	1
	<b>CHASSIS OPTIONS</b>	
STD	DOT LIGHTING / FENDERS / MUD FLAPS / TAILGATE SAFETY PROP, ICC LIGHTS	STANDARD
STD	REMOTE ACTUATED BODY SAFETY PROP	STANDARD
STD	70 GALLONS AW-46 HYDRAULIC OIL, LEVEL/TEMPERATURE GAUGE, SHUTOFF ON SUCTION	STANDARD
STD	REAR BUMPER	STANDARD
STD	TRIANGLE KIT, FIRE EXTINGUISHER, BACKUP ALARM	STANDARD
J4B	TOW HOOKS REAR - FRAME MOUNTED	1
	<b>PAINT OPTIONS</b>	
STD	PAINTED WITH PPG URETHANE PAINT	STANDARD
STD	PAINT BODY WHITE	STANDARD
STD	PAINT FRAME BLACK	STANDARD
STD	PAINT HOSE REEL AND BOOM BLACK	STANDARD
STD	FLEET FINISH	STANDARD

MISCELLANEOUS OPTIONS		
STD	25 FT OF VACUUM TUBING	STANDARD
STD	OPERATIONS AND MAINTENANCE MANUAL	STANDARD
M3	FILL HOSE 25' X 2 1/2"	1
M28	(5) TRAFFIC CONES - 28" LIME GREEN WITH REFLECTIVE STRIPE	1
M29	ONE CAMERA - BACK-UP CAMERA SYSTEM WITH 7" COLOR MONITOR, TV-505A	1



# GapVax



## PRICING SUMMARY

<b>LIST PRICE OF BASE UNIT WITH OPTIONS</b>	<b>\$ 307,260.00</b>
<b>DISCOUNT</b>	<b>\$ 7,260.00</b>
<b>ESTIMATED DELIVERY:</b>	
<b>ESTIMATED SUBTOTAL:</b>	<b>\$ 300,000.00</b>
<b>SALES TAX:</b>	
<b>FEDERAL EXCISE TAX (BODY)</b>	<b>\$ -</b>
<b>FEDERAL EXCISE TAX (CHASSIS)</b>	<b>\$ -</b>
<b>TOTAL PRICE (PER UNIT)</b>	<b>\$ 300,000.00</b>

### ALL PRICES ARE IN US DOLLARS

DUE TO EXTREME MARKET VOLATILITY AND PENDING U.S. GOVERNMENT SECTION 232 TRADE CASES ALL PRICES AND AVAILABILITY ARE  
SUBJECT TO CHANGE WITHOUT NOTICE, ALL QUOTES TO BE CONFIRMED AT TIME OF ORDER

\*\*\*\*FOB DESTINATION \*\*\* TERMS- NET, 15% DOWN \*\*\*\*

SIGNATURE \_\_\_\_\_

DATE \_\_\_\_\_

Please return a signed copy to [betty@gapvax.com](mailto:betty@gapvax.com)

**QUOTE ID**  
**1900043648.38**

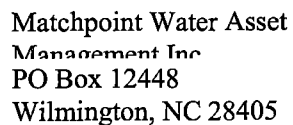
**PRICING FROM**  
**5/3/19**

# GapVax Incorporated

## Terms and Conditions of Sale

1. **ORDERS.** All orders are subject to acceptance by an officer of GapVax Inc. Orders for products not regularly carried in stock or requiring special engineering or manufacture are in every case subject to approval by an officer of GapVax.
2. **PERFORMANCE.** GapVax Inc. shall not be liable for failure to complete the contract in accordance with its terms if failure is due to wars, strikes, fires, floods, accidents, delays in transportation or other causes beyond its reasonable control.
3. **EXPERIMENTAL WORK.** Work performed at customer's request such as sketches, drawings, design, testing, fabrication and materials shall be charged at current rates.
4. **SKETCHES, ENGINEERING DRAWINGS, MODELS** and all preparatory work created or furnished by GapVax Inc. shall remain its exclusive property; and no use of same shall be made, nor may ideas obtained therefrom be used, except with the consent of and on terms acceptable to GapVax Inc.
5. **CANCELLATION.** Orders regularly entered cannot be canceled except upon terms that will compensate GapVax Inc. for any loss or damage sustained.
6. **SHIPMENT.** All proposals are based on continuous and uninterrupted delivery of the order upon completion, unless specifications distinctly state otherwise. In the event that agreement is reached for GapVax Inc. to store completed items, they will be immediately invoiced to the customer and become due and payable. Storage shall be at the risk of the customer and GapVax Inc. shall be liable only for ordinary care of the property.
7. **CUSTOMER'S PROPERTY.** GapVax Inc. shall charge the customer at current rates, for handling and storing customer's property (e.g. truck chassis) held for more than thirty (30) days after notification of availability for shipment. All customer's property, or third party's property, that is stored by GapVax Inc. is at the customer's or other party's risk. GapVax is not liable for any loss or damage thereto caused by fire, water, corrosion, theft, negligence, or any cause beyond its reasonable control.
8. **PRICES.** All orders are subject to current prices in effect at the time of order acknowledgment.
9. **F.O.B. POINT.** Unless otherwise stated, all prices listed are F.O.B. point of manufacture.
10. **TAXES.** Unless specifically stated, prices listed do not include Federal, State, City or other excise occupation, sales, use or similar taxes which are extra and are to be added at rates in effect at time of shipment. If federal Excise Taxes are included or listed on the reverse side of this paper, they are stated at the rates and regulations in effect at the time this order is written, and are subject to revision in accordance with rates and regulations in effect at time of shipment.
11. **PRODUCT IMPROVEMENT.** GapVax Inc. reserves the right to change manufacturing specifications and procedures without incurring any responsibility for modifying previously shipped products.
12. **MOUNTING PRICES.** Mounting prices assumes normal factory installation on a truck chassis suitable for the unit purchased. Relocation of batteries, gas tanks, mufflers, air tanks, etc. will be an additional charge, billed at the standard factory labor rate.
13. **WARRANTY.** GapVax Inc. warrants its products to be free from defects in material and workmanship, subject to the limitations and conditions set forth in its current published warranty but makes no warranty of merchantability or fitness for any particular purpose. GapVax Inc. does not assume liability for any loss of product, time or any direct, indirect, or consequential damage, losses or delay or any nature whatsoever. No warranty, express or implied, is made or authorized to be made and no obligation is assumed or authorized to be assumed with respect to products of GapVax Inc. other than that set forth in the current, published warranty. It is to be understood that the acceptance this order is expressly conditioned upon your acceptance of GapVax Inc. standard written warranty for the products sold hereunder GapVax Inc. hereby disclaims any responsibility or liability for any consequential losses delays or downtime resulting from orders hereunder the use of its products. GapVax does not and will not warranty any tank coating or tank lining.
14. This agreement shall be construed according to the laws of the State of Pennsylvania. Our failure at anytime to exercise any right we may have under the agreement shall not constitute a waiver thereof nor prejudice our right to enforce same thereafter.
15. This order, including the above terms and conditions contains the complete and final agreement between the parties hereto and no other agreement in any way modifying any of said terms and conditions will be binding on us unless in writing and agreed to by authorized representative of this company.

# **EXHIBIT 4**



Date	Estimate #
11/14/2018	440

Project

Phone #	Fax #
910-509-7225	910-509-7226

Web Site  
[www.matchpointinc.us](http://www.matchpointinc.us)

# **EXHIBIT 5**



Matchpoint Water Asset  
Management Inc  
PO Box 12448  
Wilmington, NC 28405

# Estimate

Date	Estimate #
12/7/2018	454

Name / Address
Mayfield Electric & Water Systems Attn: Kevin Leonard 301 E Broadway Mayfield, KY 42066-2405

Project

Description	Qty	Cost	Total
Phocus3 noise logger RADIO comms inc 3 year warranty	20	725.00	14,500.00
Phocus3 communicator including USB cable and battery charger	1	2,250.00	2,250.00
Transport Case (holds 36 IR loggfers + comms module + charger)	1	750.00	750.00T
Shipping & Handling	1	45.00	45.00T
Non Tax item		0.00%	0.00
		<b>Total</b>	USD 17,545.00

Phone #	Fax #
910-509-7225	910-509-7226

Customer Signature \_\_\_\_\_

Web Site
www.matchpointinc.us