

AGREEMENT FOR PURCHASE AND SALE OF GOODS

THIS AGREEMENT FOR PURCHASE AND SALE OF GOODS (the "Agreement") is made this 17th day of August, 2005, by and between **BadgerMeter, Inc.**, whose address is **4545 W. Brown Deer Road, Milwaukee, WI 53223** ("Seller") and THE CITY OF NAPLES, a Florida municipal corporation, the address of which is 735 Eighth Street South, Naples, Florida 34102 ("Buyer"). In consideration of the mutual covenants and agreements hereinafter set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, Buyer and Seller agree as follows:

1. **Description of Goods; Sale and Delivery.** Seller shall sell, transfer, and deliver to Buyer the goods described on the Description/Proposal attached hereto and made a part of as Exhibit "A" subject to such terms as are set forth in the Description/Proposal and in this Agreement.

2. **Acceptance; Purchase.** Buyer shall accept the goods and pay **an annual amount not to exceed \$335,000.00** for the goods in accordance with the terms of this Agreement.

3. **Identification of Goods.** Identification of the goods shall not be deemed to have been made until both Buyer and Seller have agreed that the goods in question are to be appropriate to the performance of this Agreement.

4. **Rate and Time of Payment.** Unless otherwise specified, Buyer shall make payment to Seller for the goods within 30 days after the goods are received by Buyer.

5. **Receipt of Goods.** The goods shall be deemed received by Buyer when delivered to Buyer at **City of Naples, 270 Riverside Circle, Naples, Florida 34102**. Delivery of the goods to Buyer shall occur on a business day and shall not occur after 3:15 p.m. on the delivery day.

6. **Risk of Loss.** The risk of loss from any casualty to the goods, regardless of the cause, shall be on Seller up to the time of receipt of the goods by Buyer at the place of delivery, but only after any proper inspection has been completed without rejection of the goods. Thereafter, such risk shall be on Buyer, including any goods thereafter returned to Seller until their receipt by Seller.

7. **Warranty Against Encumbrances.** Seller warrants that the goods are now free, and at the time of delivery shall be free, from any security interest or other lien or encumbrance.

8. **Warranty of Title.** Seller warrants that at the time of signing this Agreement, Seller neither knows, nor has reason to know, of the existence of any outstanding title or claim of title hostile to the rights of Seller in the goods.

9. **Product Warranty.** Seller provides general warranties of fitness and general warranties, attached hereto and made a part of as Exhibit "B" at the goods are free from defects, for 1 year from acceptance of the goods, except as may otherwise be set forth in the Description/Proposal, or other attached warranty.

10. **Right of Inspection.** Buyer shall have the right to inspect the goods at the time and place of delivery, and within 5 business days after delivery, Buyer must give notice to Seller of any claim for damages on account of the condition, quality, or grade of the goods, and Buyer must specify in detail the

basis of such claim. The failure of Buyer to comply with these conditions shall constitute irrevocable acceptance of the goods by Buyer.

11. **Procedure as to Rejected Goods.** On receipt of notification of rejection, Seller will immediately arrange to receive back the goods for shipment and return. However, within 5 days, Seller may have an agent inspect such goods for nonconformity; otherwise, such inspection will be made on return to Seller's storage facility. When such goods are confirmed or acquiesced in as nonconforming, Seller will ship conforming goods within 30 days of the notice of rejection unless Buyer earlier notifies Seller to forgo such shipment.

12. **Governing Law.** The parties acknowledge that the transaction that is the subject matter of this Agreement bears a reasonable relation to the State of Florida and agree that the law of the State of Florida will govern their rights and duties. The parties specifically intend that the provisions of Article 2 of the Florida Uniform Commercial Code will control as to all aspects of this Agreement and its interpretation, and that all the definitions contained therein will be applicable to this Agreement except where this Agreement may expressly provide otherwise.

13. **Notices and Address of Record.** All notices required or made pursuant to this Agreement to be given by Seller to Buyer shall be in writing and shall be delivered by overnight courier, by hand or by United States Postal Service Department, first class mail service, postage prepaid, return receipt requested, addressed to the following:

To Buyer:

City of Naples
Attention: Dr. Robert E. Lee, City Manager
735 Eighth Street South
Naples, Florida 34102-3796

All notices required or made pursuant to this Agreement to be given by Buyer to Seller shall be made in writing and shall be delivered by overnight courier, by hand or by the United States Postal Service Department, first class mail service, postage prepaid, return receipt requested, addressed to the following:

To Seller:

BadgerMeter, Inc.
Attention: Steve Portlance
4545 W. Brown Deer Road
Milwaukee, WI 53223

Either party may change its address of record by written notice to the other party given in accordance with requirements of this Article.

14. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party who signature appears thereon and all of which shall together constitute one and the same instrument.

15. **Effective Date.** This Agreement shall take effect on the day of execution by the last party to execute this agreement. **This is a three-year Agreement with the City's option to renew for up to two additional one-year agreements.**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day first written above.

ATTEST:

(Print Name: _____)

"SELLER":

BadgerMeter, Inc.

(Corporate Seal)

By: _____
Authorized Representative

ATTEST:

By: _____
Tara A. Norman, City Clerk

"BUYER"

City of Naples, Florida

By: _____
Dr. Robert E. Lee, City Manager

Approved as to form and legal sufficiency:

By: _____
Robert D. Pritt, City Attorney



4545 W. Brown Deer Road
Milwaukee, Wisconsin 53223
P.O. Box 245036
Milwaukee, WI 53224-9536
(414) 355-0400

June 27, 2005

City of Naples
Attn: Ben Copland
Public Works Analyst
380 Riverside Circle
Naples, FL 34102

Dear Mr. Copland;

This letter is to confirm that Badger Meter, Inc. is the only manufacturer that provides the meter, RTR[®] and Itron ERT combination that function with the system currently installed in the City of Naples, Florida.

Sincerely,

BADGER METER, INC.

Jeanne A. McBride
Assistant Secretary

jim

Quotation #14404



BadgerMeter, Inc.
 4545 W. Brown Deer Road, Milwaukee, WI 53223
 P.O. Box 245036, Milwaukee, WI 53224-9536
 Phone: 800-616-3837
 Fax: 888-371-5982

DATE: 6/15/2005
 TO: Ben Copeland
 CITY OF NAPLES
 270 13th Street
 Naples FL 34102

Phone: +1 (239) 213-7104
 Fax: +1 (239) 213-7105
 Email: bcopeland@naplesgov.com

SUBJECT: Sole Source Meter Quotation
 EFFECTIVE: 10/1/2005 - 9/30/2006

Territory: Portlance, Steve
 Customer Number 90867

Quantity	Description	Unit Price in US Dollars	Total Price in US Dollars
	-----DISC METERS WITH ITRON-----		
	5/8" x 3/4" EB2 Recordall M25 7 1/2" lay length, RTR, Itron Pit ERT, Bronze Housing Bottom, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, 5' Lead, Sidewalk Read, Year Of Mfg. Serial Number on outside of Cover, Year Of Mfg. Serial Number on Housing, Certified Test, Less Connections <i>Integral - 141.50</i>	143.50	
	3/4" EB2 Recordall M35 9" lay length, RTR, Itron Pit ERT, Bronze Housing Bottom, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, 5' Lead, Sidewalk Read, Year Of Mfg. Serial Number on outside of Cover, Year Of Mfg. Serial Number on Housing, Certified Test, Less Connections <i>Integral \$152.75</i>	154.75	
	1" EB2 Recordall M70, RTR, Itron Pit ERT, Bronze Housing Bottom, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, 5' Lead, Sidewalk Read, Year Of Mfg. Serial Number on outside of Cover, Year Of Mfg. Serial Number on Housing, Certified Test, Less Connections <i>Integral \$181.50</i>	183.50	
	1 1/2" EB2 Recordall M120 HEX, RTR, Itron Pit ERT, Bronze Housing Bottom, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, 5' Lead, Sidewalk Read, Year Of Mfg. Serial Number on outside of Cover, Year Of Mfg. Serial Number on Housing, Certified Test, Bronze Connections <i>Elliptical Long or Short Integral: \$284.00</i>	286.00	

Quotation #14404

DATE: 6/15/2005
 TO: Ben Copeland
 CITY OF NAPLES
 270 13th Street
 Naples FL 34102



BadgerMeter, Inc.
 4545 W. Brown Deer Road, Milwaukee, WI 53223
 P.O. Box 245036, Milwaukee, WI 53224-9536
 Phone: 800-616-3837
 Fax: 888-371-5982
 Phone: +1 (239) 213-7104
 Fax: +1 (239) 213-7106
 Email: bcopeland@naplesgov.com

SUBJECT: Sole Source Meter Quotation
 EFFECTIVE: 10/1/2005 - 9/30/2006

Territory: Portlance, Steve
 Customer Number 90867

Quantity	Description	Unit Price in US Dollars	Total Price in US Dollars
	2" EB2 Recordall M170 HEX, RTR, Itron Pit ERT, Bronze Housing Bottom, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, 5' Lead, Sidewalk Read, Year Of Mfg. Serial Number on outside of Cover, Year Of Mfg. Serial Number on Housing, Certified Test, Bronze Connections <i>Elliptical Long or Short</i> <i>Integral: \$349.65</i>	351.65	
-----TURBO METERS WITH ITRON-----			
	1 1/2" EB2 Turbo Series 160 with test plug, RTR, Itron Pit ERT, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, 5' Lead, Sidewalk Read, Year Of Mfg. Serial Number on outside of Cover, Year Of Mfg. Serial Number on Housing, Certified Test, Less Connections <i>Integral: \$427.00</i>	429.00	
	2' EB2 Turbo Series 200 ELL /test plug, RTR, Itron Pit ERT, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, 5' Lead, Sidewalk Read, Year Of Mfg. Serial Number on outside of Cover, Year Of Mfg. Serial Number on Housing, Certified Test, Less Connections <i>Integral: \$456.00</i>	458.00	
	3" EB2 Turbo Series 450, RTR, Itron Pit ERT, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, 5' Lead, Sidewalk Read, Year Of Mfg. Serial Number on outside of Cover, Year Of Mfg. Serial Number on Housing, Certified Test, Less Connections <i>Integral: \$636.50</i>	638.50	

Quotation #14404

DATE: 6/15/2005
 TO: Ben Copeland
 CITY OF NAPLES
 270 13th Street
 Naples FL 34102



BadgerMeter, Inc.
 4545 W. Brown Deer Road, Milwaukee, WI 53223
 P.O. Box 245036, Milwaukee, WI 53224-9536
 Phone: 800-616-3837
 Fax: 868-371-5982
 Phone: +1 (239) 213-7104
 Fax: +1 (239) 213-7105
 Email: bcopeland@naplesgov.com

SUBJECT: Sole Source Meter Quotation
 EFFECTIVE: 10/1/2005 - 9/30/2006

Territory: Portlance, Steve
 Customer Number 90867

Quantity	Description	Unit Price in US Dollars	Total Price in US Dollars
	4" EB2 Turbo Series 1000, RTR, Itron Pit ERT, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, 5' Lead, Sidewalk Read, Year Of Mfg. Serial Number on outside of Cover, Year Of Mfg. Serial Number on Housing, Certified Test, Less Connections <i>Integral: \$947.25</i>	949.25	
	6" EB2 Turbo Series 2000, RTR, Itron Pit ERT, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, 5' Lead, Sidewalk Read, Year Of Mfg. Serial Number on outside of Cover, Year Of Mfg. Serial Number on Housing, Certified Test, Less Connections <i>Integral: \$1,332.00</i>	1334.00	
	8" EB2 Turbo Series 3500, RTR, Itron Pit ERT, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, 5' Lead, Sidewalk Read, Year Of Mfg. Serial Number on outside of Cover, Year Of Mfg. Serial Number on Housing, Certified Test, Less Connections <i>Integral: \$1,553.50</i>	1555.50	
	10" EB2 Turbo Series 5500, RTR, Itron Pit ERT, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, 5' Lead, Sidewalk Read, Year Of Mfg. Serial Number on outside of Cover, Year Of Mfg. Serial Number on Housing, Certified Test, Less Connections <i>Integral: \$2,503.00</i>	2505.00	
	-----COMPOUND METERS WITH ITRON-----		
	2" EB2 Recordall Compound Series Meter Elliptical, (2) RTR's Summator/Splitter Itron ERT Remote, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, Sidewalk Read, Year Of Mfg. Serial Number on outside of Cover, Year Of Mfg. Serial Number on Housing, Certified Test, Less Connections	1140.00	

Quotation #14404

DATE: 6/15/2005
 TO: Ben Copeland
 CITY OF NAPLES
 270 13th Street
 Naples FL 34102



BadgerMeter, Inc.
 4545 W. Brown Deer Road, Milwaukee, WI 53228
 P.O. Box 245036, Milwaukee, WI 53224-9536
 Phone: 800-616-3837
 Fax: 888-371-5982
 Phone: +1 (239) 213-7104
 Fax: +1 (239) 213-7105
 Email: bcopeland@naplesgov.com

SUBJECT: Sole Source Meter Quotation
 EFFECTIVE: 10/1/2005 - 9/30/2006

Territory: Portlance, Steve
 Customer Number 90867

Quantity	Description	Unit Price in US Dollars	Total Price in US Dollars
	<i>Integral: \$1,138.00</i>		
	3" EB2 Recordall Compound Series Meter, (2) RTR's Summator/Splitter Itron ERT Remote, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, Sidewalk Read, Year Of Mfg. Serial Number on outside of Cover, Year Of Mfg. Serial Number on Housing, Certified Test, Less Connections <i>Integral: \$1,384.60</i>	1386.60	
	4" EB2 Recordall Compound Series Meter, (2) RTR's Summator/Splitter Itron ERT Remote, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, Sidewalk Read, Year Of Mfg. Serial Number on outside of Cover, Year Of Mfg. Serial Number on Housing, Certified Test, Less Connections <i>Integral: \$1,685.50</i>	1687.50	
	6" EB2 Recordall Compound Series Meter, (2) RTR's Summator/Splitter Itron ERT Remote, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, Sidewalk Read, Year Of Mfg. Serial Number on outside of Cover, Year Of Mfg. Serial Number on Housing, Certified Test, Less Connections <i>Integral: \$2,813.00</i>	2815.00	
	-----FIRE SERIES ASSEMBLIES WITH ITRON-----		
	4" Fire Series Meter Assembly, (2) RTR's Summator/Splitter Itron Pit ERT, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, Sidewalk Read, Certified Test, Less Connections <i>with Integral: \$3896.00</i>	3898.00	

Quotation #14404



BadgerMeter, Inc.
 4545 W. Brown Deer Road, Milwaukee, WI 53223
 P.O. Box 245036, Milwaukee, WI 53224-9536
 Phone: 800-616-3837
 Fax: 888-371-5982

DATE: 6/15/2005
 TO: Ben Copeland
 CITY OF NAPLES
 270 13th Street
 Naples FL 34102

Phone: +1 (239) 213-7104
 Fax: +1 (239) 213-7105
 Email: bcopeland@naplesgov.com

SUBJECT: Sole Source Meter Quotation
 EFFECTIVE: 10/1/2005 - 9/30/2006

Territory: Portlance, Steve
 Customer Number 90867

Quantity	Description	Unit Price in US Dollars	Total Price in US Dollars
	6" Fire Series Meter Assembly, (2) RTR's Summator/Splitter Itron Pit ERT, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, Sidewalk Read, Certified Test, Less Connections <i>with Integral: \$5248.00</i>	5250.00	
	8" Fire Series Meter Assembly, (2) RTR's Summator/Splitter Itron Pit ERT, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, Sidewalk Read, Year Of Mfg. Serial Number on outside of Cover, Year Of Mfg. Serial Number on Housing, Certified Test, Less Connections <i>Integral ERT: \$6,990.00</i>	6992.00	
	10" Fire Series Meter Assembly, (2) RTR's Summator/Splitter Itron Pit ERT, Gallon, Plastic Lid/Plastic Shroud, Standard Seal Screw, Sidewalk Read, Year Of Mfg. Serial Number on outside of Cover, Year Of Mfg. Serial Number on Housing, Certified Test, Less Connections <i>Integral ERT: \$10,100.00</i>	10102.00	
	-----ITRON RETROFITS-----		
	RTR and Itron Pit ERT, 5/8" - 1" Badger disc meters, Plastic Lid/Plastic Shroud, Standard Seal Screw, 5' Lead <i>Pricing for Integrals - \$119.00</i> <i>3/4" Only - Integral ERT - \$117.00</i>	121.00	
	RTR and Itron Pit ERT, 1 1/2" and 2" Badger disc meters, Standard Seal Screw, 5' Lead <i>Pricing for Integrals - \$129.50</i>	131.50	
	Itron, RTR Pit ERT, Standard Seal Screw, 5' Lead	145.65	

Quotation #14404

DATE: 6/15/2005
 TO: Ben Copeland
 CITY OF NAPLES
 270 13th Street
 Naples FL 34102



BadgerMeter, Inc.
 4545 W. Brown Deer Road, Milwaukee, WI 53223
 P.O. Box 245036, Milwaukee, WI 53224-9536
 Phone: 800-616-3837
 Fax: 888-371-5982
 Phone: +1 (239) 213-7104
 Fax: +1 (239) 213-7105
 Email: bcopeland@naplesgov.com

SUBJECT: Sole Source Meter Quotation
 EFFECTIVE: 10/1/2005 - 9/30/2006

Territory: Porttance, Steve
 Customer Number 90867

Quantity	Description	Unit Price in US Dollars	Total Price in US Dollars
	1 1/2" thru 4" Turbo Meter Pricing for Integrals - \$143.65		
	Itron, RTR Pit ERT, Standard Seal Screw, 5' Lead For 6" thru 10" Turbo Meters Pricing for Integrals \$150.00	152.00	
	RTR and Itron Pit ERT, Badger 2-6" Compound Series meters, Standard Seal Screw, 5' Lead For 2-6" Old-style RCDL Compound Meters Pricing for Integrals \$294.75	296.75	
	RTR and Itron Pit ERT, Badger 3-10" Fire Series meters, Standard Seal Screw, 5' Lead For 8 and 10" meters - Integral, \$303	305.00	
	-----DISC METERS W/LOCAL REGISTERS-----		
	5/8" x 3/4" EB2 Recordall M25 7 1/2" lay length, Local Register, Bronze Housing Bottom, Gallon, Bronze Lid/Bronze Shroud, Standard Seal Screw, BMI Serial Number on outside of Cover, BMI Serial Number on Housing, Less Connections	27.75	
	3/4" EB2 Recordall M35 9" lay length, Local Register, Bronze Housing Bottom, Gallon, Bronze Lid/Bronze Shroud, Standard Seal Screw, BMI Serial Number on outside of Cover, BMI Serial Number on Housing, Less Connections	40.55	
	1" EB2 Recordall M70, Local Register, Bronze Housing Bottom, Gallon, Bronze Lid/Bronze Shroud, Standard Seal Screw, BMI Serial Number on outside of Cover, BMI Serial Number on Housing, Less Connections	65.10	

Quotation #14404

DATE: 6/15/2005
 TO: Ben Copeland
 CITY OF NAPLES
 270 13th Street
 Naples FL 34102



BadgerMeter, Inc.
 4545 W. Brown Deer Road, Milwaukee, WI 53223
 P.O. Box 245036, Milwaukee, WI 53224-9536
 Phone: 800-616-3837
 Fax: 888-371-5982
 Phone: +1 (239) 213-7104
 Fax: +1 (239) 213-7105
 Email: bcopeland@naplesgov.com

SUBJECT: Sole Source Meter Quotation
 EFFECTIVE: 10/1/2005 - 9/30/2006

Territory: Portlance, Steve
 Customer Number 90867

Quantity	Description	Unit Price in US Dollars	Total Price in US Dollars
	1 1/2" EB2 Recordall M120 HEX, Local Register, Gallon, Bronze Lid/Bronze Shroud, Standard Seal Screw, BMI Serial Number on outside of Cover, BMI Serial Number on Housing, Bronze Connections	163.25	
	2" EB2 Recordall M170 HEX, Local Register, Gallon, Bronze Lid/Bronze Shroud, Standard Seal Screw, BMI Serial Number on outside of Cover, BMI Serial Number on Housing, Bronze Connections	227.90	
	-----BARE DISC METERS-----		
	5/8" x 3/4" EB2 Recordall M25 7 1/2" lay length, Bare, Bronze Housing Bottom, BMI Serial Number on Housing, Less Connections	22.90	
	3/4" EB2 Recordall M35 9" lay length, Bare, Bronze Housing Bottom, BMI Serial Number on Housing, Less Connections	34.70	
	1" EB2 Recordall M70, Bare, Bronze Housing Bottom, BMI Serial Number on Housing, Less Connections	60.00	
	1 1/2" EB2 Recordall M120 HEX, Bare, BMI Serial Number on Housing, Bronze Connections	158.50	
	2" EB2 Recordall M170 HEX, Bare, BMI Serial Number on Housing, Bronze Connections	222.00	

Quotation #14404



BadgerMeter, Inc.

4545 W. Brown Deer Road, Milwaukee, WI 53223
 P.O. Box 245036, Milwaukee, WI 53224-9536
 Phone: 800-616-3837
 Fax: 888-371-5982

DATE: 6/15/2005

TO: Ben Copeland
 CITY OF NAPLES
 270 13th Street
 Naples FL 34102

Phone: +1 (239) 213-7104
 Fax: +1 (239) 213-7105
 Email: bcopeland@naplesgov.com

SUBJECT: Sole Source Meter Quotation

Territory: Portlance, Steve.

EFFECTIVE: 10/1/2005 - 9/30/2006

Customer Number 90867

Quantity	Description	Unit Price in US Dollars	Total Price in US Dollars
-----TURBO METERS W/LOCAL REGISTERS-----			
	1 1/2" EB2 Turbo Series 160 Integral Strainer with Test Plug, Local Register, Gallon, Bronze Lid/Bronze Shroud, Standard Seal Screw, BMI Serial Number on outside of Cover, BMI Serial Number on Housing, Less Connections	431.00	
	2" EB2 Turbo Series 200 ELL Integral Strainer /test plug, Local Register, Gallon, Bronze Lid/Bronze Shroud, Standard Seal Screw, BMI Serial Number on outside of Cover, BMI Serial Number on Housing, Less Connections	448.00	
	3" EB2 Turbo Series 450 Integral Strainer /test plug, Local Register, Gallon, Bronze Lid/Bronze Shroud, Standard Seal Screw, BMI Serial Number on outside of Cover, BMI Serial Number on Housing, Less Connections	560.00	
	4" EB2 Turbo Series 1000 Integral Strainer /test plug, Local Register, Gallon, Bronze Lid/Bronze Shroud, Standard Seal Screw, BMI Serial Number on outside of Cover, BMI Serial Number on Housing, Less Connections	845.00	
	6" EB2 Turbo Series 2000/test plug & Strainer, Local Register, Gallon, Bronze Lid/Bronze Shroud, Standard Seal Screw, BMI Serial Number on outside of Cover, BMI Serial Number on Housing, Less Connections	1575.00	
	8" EB2 Turbo Series 3500/test plug & Strainer, Local Register, Gallon, Bronze Lid/Bronze Shroud, Standard Seal Screw, BMI Serial Number on outside of Cover, BMI Serial Number on Housing, Less Connections	2290.00	

Quotation #14404

DATE: 6/15/2005

TO: Ben Copeland
CITY OF NAPLES
270 13th Street
Naples FL 34102**BadgerMeter, Inc.**4545 W. Brown Deer Road, Milwaukee, WI 53223
P.O. Box 245036, Milwaukee, WI 53224-9536
Phone: 800-616-3837
Fax: 888-371-5982Phone: +1 (239) 213-7104
Fax: +1 (239) 213-7105
Email: bcopeland@naplesgov.com

SUBJECT: Sole Source Meter Quotation

Territory: Portlance, Steve

EFFECTIVE: 10/1/2005 - 9/30/2006

Customer Number 90867

Quantity	Description	Unit Price in US Dollars	Total Price in US Dollars
-----BARE TURBO METERS-----			
	1 1/2" EB2 Turbo Series 160 Integral Strainer with Test Plug, Bare, BMI Serial Number on Housing, Less Connections	423.00	
	2" EB2 Turbo Series 200 ELL Integral Strainer /test plug, Bare, BMI Serial Number on Housing, Less Connections	440.00	
	3" EB2 Turbo Series 450 Integral Strainer /test plug, Bare, BMI Serial Number on Housing, Less Connections	552.00	
	4" EB2 Turbo Series 1000 Integral Strainer /test plug, Bare, BMI Serial Number on Housing, Less Connections	839.00	
	6" EB2 Turbo Series 2000/test plug & Strainer, Bare, BMI Serial Number on Housing, Less Connections	1560.00	
	8" EB2 Turbo Series 3500/test plug & Strainer, Bare, BMI Serial Number on Housing, Less Connections	2280.00	
-----STRAINERS-----			
	2" EBII Plate Strainer, Elliptical (with Studs, Nuts & Gasket)	126.00	
	3" EBII Plate Strainer, Round (with Studs, Nuts & Gasket)	215.00	
	4" EBII Plate Strainer, Round (with Studs, Nuts & Gasket)	317.00	
	6" EBII Plate Strainer, Round (with Studs, Nuts & Gasket)	365.00	
	8" Steel Plate Strainer, Round (with Studs, Nuts & Gasket)	828.00	

Quotation #14404

DATE: 6/15/2005
 TO: Ben Copeland
 CITY OF NAPLES
 270 13th Street
 Naples FL 34102



BadgerMeter, Inc.
 4545 W. Brown Deer Road, Milwaukee, WI 53223
 P.O. Box 245036, Milwaukee, WI 53224-9536
 Phone: 800-616-3837
 Fax: 888-371-5982
 Phone: +1 (239) 213-7104
 Fax: +1 (239) 213-7105
 Email: bcopeland@naplesgov.com

SUBJECT: Sole Source Meter Quotation
 EFFECTIVE: 10/1/2005 - 9/30/2006

Territory: Portlance, Steve
 Customer Number 90867

Quantity	Description	Unit Price in US Dollars	Total Price in US Dollars
	-----FIRE HYDRANT METER-----		
	3" Turbo Series 450 Fire Hydrant Meter, Local Register, Bronze Connections	585.00	
	-----DISC METER CONNECTIONS-----		
	07559-002 ASSY. STR. CONN. W/RUBBER GASKETS, C. WTR. 3/4 METER	3.80	
	07561-002 ASSY. STR. CONN. PKG. CW W/RUBBER GASKETS	7.60	
	07563-000 ASSY. STR. CONN. 1-1/2 W/GYLON GASKETS	28.10	
	07564-000 ASSY. STR. CONN. 2 W/GYLON GASKETS	38.50	

Notes/Options:

Shipping: FOB Destination BY S. Portlance Steve Portlance
 TITLE: Account Manager
 Payment: N/30
 Delivery: Provided After Receipt of Order

TERMS AND CONDITIONS OF DOMESTIC SALES

1. **OFFER, GOVERNING PROVISIONS, AND CANCELLATIONS.** This writing constitutes an offer or counter-offer by Deeper Motor, Inc. ("Seller") to sell the products and/or services described herein in accordance with these terms and conditions. This writing is not an acceptance of any offer made by purchaser ("Purchaser"), and acceptance of this offer is expressly conditioned upon the Purchaser's assent to these terms and conditions. Purchaser will be deemed to have assented to these terms and conditions when:

- (a) Purchaser signs and delivers to Seller an acknowledgment copy of any of Seller's quotations, order acknowledgment or invoice forms; or
- (b) at Seller's option, when Purchaser shall have given to Seller a specification of assortment, delivery dates, shipping instructions, or instructions to bill and hold as to all or any part of the merchandise herein described; or
- (c) when Purchaser has received delivery of the whole or any part thereof; or
- (d) when Purchaser has otherwise assented to the terms and conditions hereof.

No additional or different terms or conditions will be binding upon Seller unless specifically agreed to in writing. Seller hereby objects to any such additional or different provisions contained in any purchase order or other communication from Purchaser. THIS CONTRACT AND THESE TERMS AND CONDITIONS SHALL CONSTITUTE THE ENTIRE AGREEMENT BETWEEN SELLER AND PURCHASER, AND SHALL BE GOVERNED BY AND SHALL BE CONSTRUED ACCORDING TO THE INTERNAL LAWS OF THE STATE OF WISCONSIN. No order may be cancelled or altered by Purchaser except upon terms and conditions acceptable to Seller, as evidenced by Seller's written consent. In the event of such an approved cancellation by Purchaser, Seller shall be entitled to payment of the full price, less the amount of any expenses incurred by Seller in connection with the cancellation.

2. **DELIVERY AND DELAY.** All quoted delivery dates and/or periods are approximations. The delivery periods shall commence when Seller shall have acknowledged receipt of complete specifications, and/or applicable documents required to effect shipment such as import license, exchange permit, shipping instructions, etc. The risk of loss or damage in transit shall pass to Purchaser at the point where Seller has fulfilled its obligations under the shipping term specified in the contract for sale as described in the International Chamber of Commerce definition of Trade Terms - 1994, provided, that if payment shall be made under a letter of credit, Seller shall have a security interest in the equipment until acceptance of the related draft or drafts by the bank confirming such credit.

Seller reserves the right to make delivery in installments, unless otherwise expressly stipulated in the contract for sale; and all such installments, when separately invoiced, shall be paid for when due per invoice, without regard to subsequent deliveries. Delay in delivery of any installment shall not relieve Purchaser of its obligations to accept remaining deliveries. Seller shall not be liable for any damage as a result of any delay due to any cause beyond Seller's reasonable control, including without limitation, an act of God, act of purchaser, embargo or other governmental act, regulation or national fire; accident; strike; slow-down; war; riot; delay in transportation; delayed delivery by suppliers; and inability to obtain necessary labor and materials. In the event of any such delay, the date of delivery shall be extended for a period equal to the time lost by reason of the delay.

Claims for shortages or other errors must be made in writing to Seller within thirty (30) days after receipt of shipment, and failure to give such notice shall constitute unqualified acceptance and a waiver of all such claims by Purchaser. Shipping specifications are approximate; any change resulting from variations are not subject to claim by Purchaser.

3. **DESCRIPTIVE LITERATURE AND SUBSTITUTES.** Catalogues, product brochures, photographs and other illustrations are a general representation of the products offered, but shall not be taken as an exact representation and shall not form part of the contract except as specifically set forth. Seller reserves the right to make changes in design, specifications or materials which in Seller's opinion are an improvement or necessary because of unavailability of materials. Seller may furnish suitable substitutes for materials unobtainable because of priorities or regulations established by governmental authority or nonavailability of materials from suppliers.

4. **STORAGE.** If the products are not shipped within 15 days after notification to Purchaser they are ready for shipping, for any reason beyond Seller's reasonable control, including Purchaser's failure to give shipping instructions, Seller may store such products at Purchaser's risk in a warehouse or yard or upon Seller's premises, and Purchaser shall pay all handling, transportation and storage costs at the prevailing commercial rates upon submission of invoice therefor.

5. **PRICE AND PAYMENT.** As explained in Paragraph 10 below, the prices for the goods and/or services listed on the face of this offer (or counter-offer) are Seller's prices for such goods and/or services with (i) the exclusive Warranty of repair or strict liability enforceable against Purchaser, if Purchaser desires for Seller to provide a greater, or additional Warranty than presently contained in Paragraph 7, and/or to be liable for some or all of the disclaimed liability in Paragraph 10, and (ii) the additional warranty, liability and/or damages that Purchaser desires Seller to assume. In the absence of such a modification, the repair or replacement Warranty found in Paragraph 7, and the disclaimer of liability and incidental damages found in Paragraph 10 and the disclaimer of other liability also found in Paragraph 10 including the disclaimer of tort liability, shall be enforceable as stated in this contract. Payment terms are net payment within 30 days of the date of invoice, unless otherwise stated. Interest will be charged at the rate of 18% per year (but not more than the highest rate permitted by applicable law) on accounts more than 30 days past due. Purchaser agrees to pay all costs of collection, including reasonable attorneys' fees, on all past due accounts. Invoices may be submitted as partial shipments as made. If during the period of the contract the financial condition of Purchaser is proposed to make the shipment, if Purchaser defaults in any payment when due, then the whole contract price shall immediately become due and payable upon demand, or Seller, at its option without prejudice to other lawful remedies, may defer delivery or cancel this contract. If the goods are not shipped, the goods may be stored as provided in Paragraph 4 above.

6. **TAXES AND OTHER CHARGES.** Any manufacturer's tax, retailer's occupation tax, use tax, sales tax, excise tax, duty, custom, inspection or testing fee or any other tax, fee or charge of any nature whatsoever imposed by any governmental authority, on or measured by the transaction between Seller and Purchaser shall be paid by Purchaser in addition to the price quoted or invoiced. In the event the Seller is required to pay any such tax, fee or charge, Purchaser shall reimburse Seller therefor; or, in lieu of such payment, Purchaser shall provide Seller at the time the order is submitted with an exemption certificate or other document acceptable to the authority imposing the same. When the contract price includes cost of transportation, field service and/or installation, it has been based on the lowest value for such service prevailing at the time such price is established, and, in the event of any change in such rate prior to shipment or performance of service, the price shall be modified accordingly.

7. **WARRANTIES.** Except as otherwise stated in Warranty Form S-9449 with regard to certain electric motors, Seller warrants equipment and parts manufactured by it and supplied hereunder to be free from defects in materials and workmanship for a period of 18 months from date of shipment or 12 months from date of installation, whichever period shall be shorter. If within such period any such equipment or parts shall be proved to Seller's satisfaction to be defective, such equipment or parts shall be repaired or replaced at Seller's option. Seller's obligations hereunder shall be limited to such repair and replacement and shall be conditioned upon Seller's receiving written notice of any alleged defect within 10 days after its discovery and, if Seller's option, return of such equipment or parts to Seller, i.e., to its factory. This warranty shall not apply to equipment or parts not manufactured by Seller or to equipment or parts which have been repaired or altered by others than Seller, or which shall have been subject to negligence, accident, damage by circumstances beyond Seller's control or improper operation, maintenance, installation, or storage or to other than normal use or service. With respect to equipment and parts not manufactured by Seller, the warranty obligations of Seller shall in all respects conform and be limited to the warranty extended to Seller by the supplier. THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER EXPRESS AND IMPLIED WARRANTIES WHATSOEVER, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE (except warranties of title). This exclusive remedy shall not be deemed to have waived its essential purpose so long as Seller is willing and able to replace defective products or issue a credit to Purchaser within a reasonable time after Purchaser proves to Seller that a defect is involved.

Any description of the products, whether in writing or made orally by Seller or Seller's agents, specifications, samples, literature, models, bulletins, drawings, diagrams, engineering sheets or similar materials used in connection with Purchaser's order are for the sole purpose of identifying the products and shall not be construed as an express warranty. Any suggestions by Seller or Seller's agents regarding use, application or suitability of the products shall not be construed as an express warranty unless confirmed to be such in writing by Seller.

8. **PATENTS, TRADEMARKS AND COPYRIGHTS.** Seller will, at its own expense, defend any suits that may be instituted by anyone against Purchaser for alleged infringement of any United States patent, trademark, or copyright relating to any products manufactured and furnished by Seller hereunder, if such alleged infringement consists of the use of such products, or parts thereof, in Purchaser's business and provided Purchaser shall have made all payments then due hereunder and shall give Seller immediate notice in writing of any such suit and transmit to Seller immediately upon receipt all processes and papers served upon Purchaser and permit Seller through its counsel, either in the name of Purchaser or in the name of Seller, to defend the same and give all needed information, assistance and authority to enable Seller to do so. If such products are in such suit used in such a way as to infringe any valid United States patent, trademark or copyright, then: (a) Seller will pay any final award of damages in such suit attributable to such infringement, and (b) if in such suit use of such products by Purchaser is permanently enjoined by reason of such infringement, Seller shall, at its own expense and at its sole option, either (i) procure for Purchaser the right to continue using the products, (ii) modify the products to render them non-infringing, (iii) replace the products with non-infringing goods, or (iv) refund the purchase price and the transportation costs paid by Purchaser for the products.

Notwithstanding the foregoing, Seller shall not be responsible for any contingencies or settlement made without its written consent, or for infringements of combination or process patents covering the use of the products in combination with other goods or materials not furnished by Seller. The foregoing states the entire liability of Seller for infringement, and in no event shall Seller be liable for consequential damages attributable to an infringement. As to any products furnished by Seller to Purchaser manufactured in accordance with drawings, designs or specifications proposed or furnished by Purchaser or any claim of contributory infringement resulting from the use or resale by Purchaser of products sold hereunder, Seller shall not be liable, and Purchaser shall indemnify Seller and hold Seller harmless from and against any and all loss, liability, damage, claim or expense (including but not limited to Seller's reasonable attorneys' fees and other costs of defense) incurred by Seller as a result of any claim of patent, trademark, copyright or trade secret infringement, or infringement of any other proprietary rights of third parties.

9. **NUCLEAR DISCLAIMER.** Equipment sold by Seller is not intended for use in connection with any nuclear facility or activity unless covered by a specific quotation where the conditions of such usage will be detailed. If equipment is used in a nuclear facility or activity without a supporting quotation, Seller disclaims all liability for any damage, injury or contamination, and Purchaser shall indemnify and hold Seller, its officers, agents, employees, successors, assigns and customers, whether direct or indirect, harmless from and against any and all losses, damages or expenses of whatever form or nature (including attorneys' fees and other costs of defending any action) which may, or any of them, may sustain or incur, whether as a result of breach of contract, warranty, tort (including negligence), strict liability or other theories of law, by reason of such use.

10. **EXCLUSION OF CONSEQUENTIAL DAMAGES AND DISCLAIMER OF OTHER LIABILITY; PURCHASER'S INDEMNITY.** Seller's liability with respect to breaches of warranty shall be limited as provided in Section 7 hereof. With respect to other breaches of this contract, Seller's liability shall in no event exceed the contract price. SELLER SHALL NOT BE SUBJECT TO AND DISCLAIMS: (1) ANY OTHER OBLIGATIONS OR LIABILITIES ARISING OUT OF BREACH OF CONTRACT OR OF WARRANTY; (2) ANY OBLIGATIONS WHATSOEVER ARISING FROM TORT CLAIMS (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR ARISING UNDER OTHER THEORIES OF LAW WITH RESPECT TO PRODUCTS SOLD OR SERVICES RENDERED BY SELLER, OR ANY UNDERTAKINGS, ACTS OR OMISSIONS RELATING THERETO; AND (3) ALL CONSEQUENTIAL, INCIDENTAL AND CONTINGENT DAMAGES WHATSOEVER. Without limiting the generality of the foregoing, Seller specifically disclaims any liability for penalties (including administrative penalties), special or punitive damages, damages for lost profits or revenues, loss of use of products or any associated equipment, cost of capital, facilities or services, downtime, shut-down or slow-down costs, or for any other types of economic loss. All the limitations and disclaimers contained in this paragraph and in the rest of this contract shall apply to claims of Purchaser's customers or any third party asserted by Purchaser against Seller for indemnity or contribution, as well as to direct claims of Purchaser against Seller.

The prices for the goods and/or services on the face of this offer are Seller's prices for such goods and/or services with all the above Disclaimer of Liability, including tort liability, enforceable against Purchaser. If Purchaser desires for Seller to be amended so that Seller is liable for some or all of the matters disclaimed then Seller's prices for the goods and/or services covered by this offer will be adjusted upward to reflect the risks which Purchaser desires Seller to assume. Purchaser understands that Purchaser is foregoing the possibility of, among other things, recovery from Seller of tort liability in exchange for Purchaser obtaining a lower sales price for the goods and/or services. Seller shall indemnify Seller against any and all losses, liabilities, damages and expenses (including, without limitation, attorneys' fees and other costs of defending any action) which Seller may incur as a result of any claim by Purchaser or others arising out of or in connection with the products and/or services sold hereunder and based on product or service defects not proven to have been caused solely by Seller's negligence.

11. **TECHNICAL INFORMATION.** Any sketches, models or samples submitted by Seller shall remain the property of Seller, and shall be treated as confidential information unless Seller has in writing indicated a contrary intent. No use or disclosure of such sketches, models and samples, or any design or production process or technique revealed hereby, shall be made without the express written consent of Seller.

12. **PURCHASER'S PROPERTY.** Any property of purchaser placed in Seller's custody for performance of the contract is not covered by insurance, and no risk is assumed by Seller in the event of loss or damage to such property by fire, water, burglary, theft, civil disorder or any accident beyond the reasonable control of Seller.

S-3539C(854)