



PROPOSAL FOR

Olea Edge Analytics Solutions & Services

Date: August 17, 2023

From: Olea Networks Inc. DBA Olea Edge Analytics

To: City of Aurora, Illinois

PROPOSAL

This Proposal agreement ("Proposal") is between Olea Networks, Inc. DBA Olea Edge Analytics ("Olea") and City of Aurora, an Illinois home rule municipal corporation, ("Client") for the services defined by mutually agreed upon Scope of Services ("Services"). Any modification to our installation and service procedures will not remove functionality without the written consent of both parties. The above Services are detailed in the attached Scope of Services and are incorporated herein by reference. This Proposal is valid for 60 days from above date.

PURPOSE

Implement Olea Technology and services used to identify water loss by continuously monitoring water meters. Olea Technology has been demonstrated to have a significant positive Impact on:

- Water Loss Reduction
- Water Conservation,
- Billing Accuracy & Revenue,
- Reducing Customer Disputes,
- Improving Maintenance Processes & Response Time,
- Improving Asset & Knowledge Management,
- and Operational Transparency.

BACKGROUND

Olea deploys state of the art edge computing technology with advanced analytics, artificial intelligence, and machine learning to help utilities manage their distribution system and eliminate water loss. The edge computing network supports a wide variety of sensors Including:

- Optical
- Vibration
- Magnetic



Olea provides a turnkey implementation of advanced sensor networks to utilities to ensure utilities are always using the latest and best in class technology. Technology is evolving on a yearly and even a monthly basis making traditional capital acquisition of technology with a life expectancy of 10 or more years no longer a viable approach to effectively serve the need of the community a utility serves.

Olea has developed unique and proprietary approaches to monitor certain assets within the utility distribution system. These approaches are patented and unique to Olea due to our ability to deploy advanced edge computers in unpowered and adverse environments. An example of a unique approach to water loss management is our Meter Health Analytics solution focused on commercial and industrial water meter accuracy.

Commercial and industrial meters serve utilities largest customers and short-term meter failures can have a significant adverse impact on understanding sources of water loss and on utility revenue.

Olea Meter Health Analytics Technology is a complete solution to identify broken, worn, and mis-sized large water meters (sizes ranging from 1-inch to 10-inch by various manufacturers). The Technology is not a replacement for a water meter or Advanced Metering Infrastructure (AMI)/Advanced Metering Reading (AMR) enabled meters. Rather, it is a sophisticated yet simple to use hardware, software, and service solution implemented in addition to the existing large water meters and associated AMI/AMR devices.

Olea Meter Health Analytics Technology is an example of the exceptional value utilities receive working with Olea to digitize their water distribution network. Olea is committed to bringing the latest and most effective solutions to utilities with a focus on eliminating all water loss.

TERMS OF PAYMENT

After installation, Olea will invoice Client for the Asset Survey, Initial Installation, and Annual Subscription for the Services. Subscription renewals will be billed annually on the contract date. Payment terms will all be in accordance with the Illinois Local Government Prompt Payment Act.

Subcontractor (ME Simpson) repair services will be invoiced on a monthly basis.

TERM OF CONTRACT

The term of the project will be one year from the date of issuance of the Notice-To-Proceed. The project may be renewed for terms of not less than one year by mutual agreement of both parties in writing.

PROPRIETARY TECHNOLOGY AND SECURITY



Olea Technology is a patent protected one-of-a-kind solution available only from Olea and qualifies for sole source procurement practices. Olea Technology is protected by multiple patents including but not limited to:

- Retrofit Device and Method of Retrofitting Flow Meter (Patent US 2017/0234709 A1) approved March 21, 2019
- Portable Wireless Mesh Device with improved Antenna Systems (Patent US 2015/0072628) issued June 6, 2017
- System and Method for Data Management Structure Using Auditable Delta Records in a Distributed Environment (Patent US 2017/0163733) published June 8, 2017

The combination of this patented technology, combined with Olea's proprietary software systems result in Olea Technology offering many unique features not available from any other supplier including but not limited to:

- Turnkey installation, which is easily scaled, requires no communication infrastructure investment or utility resources;
- Retrofits onto any brand and model, single or compound mechanical water meter;
- Unique and proprietary passive sensor array that does not interfere with water meter operation, does not require water service interruption to customers, and does not interfere with current billing process or practices;
- Unique and proprietary analytics to monitor and identify error conditions, including but not limited to, the following: 1) stuck register, encoder reporting error, register failures; 2) cross-over valve stuck or incomplete seating; 3) register magnetic decouple from the unitized measuring element (UME); 4) UME element wear and/or mechanical failure; 5) presence of backflow; 6) premature cross-over opening, 7) stuck or non-operable cross over; 8) by-pass monitoring; 9) pressure monitoring; and 10) right-sizing determination;
- Unique and proprietary analytics determining & recommending specific corrective action for condition(s) listed above;
- Unique and proprietary dashboard and presentation layers including but not limited to: a portfolio dashboard presenting prioritized corrective actions; an asset dashboard presenting detailed information on assets, usage and alerts; and a condition dashboards presenting detailed data and analysis results related to specific failure modes. Dashboards will reference 1) meter customer, 2) City of Aurora service area, 3) service point ID, 4) service address, and 5) non-revenue water recovery volume estimate (centum cubic feet/month);
- Unique and proprietary AI and ML video/optical analytics capability combined with sub-second data sampling of multiple hall-effect and acoustic sensors;
- Unique, proprietary, and patented device and data security strategies including but not limited to dedicated nested Internet Protocol Security tunneling, Trusted Platform Module (TPM), and patent protected block-chain ledgering delivering an upgradeable and expandable edge computing infrastructure with best-in-class security and data integrity;



- Unique and proprietary edge computing hardware which is AI/ML capable, upgradable, expandable (more sensors, more data), ruggedized, power efficient, self-monitoring and waterproof. Olea's edge computing hardware enables the processing of complex and customizable AI and ML analytics in unpowered and adverse environments; and
- Unique and proprietary battery management system manages and maintains the health of edge computer hardware and batteries.



TERMS AND SCHEDULE

Olea Terms and Conditions and Scope of Services, each attached hereto, are incorporated by reference into this Proposal.

The authorized signatories for the parties acknowledge and accept this Proposal as of the date first set forth above.

OLEA NETWORKS, INC.

CITY OF AURORA, ILLINOIS

By:_____

By:_____

Title:_____

Title:_____

Date:_____

Date:_____

Olea:

Legal Entity:

Mailing Address:

Physical Address:

Contact Name:

Title

Phone Number:

Email Address:

Olea Edge Analytics

Olea Networks Inc. DBA Olea Edge Analytics

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City of Aurora

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SCOPE OF SERVICES

By Olea Edge Analytics
For City of Aurora, Illinois
Water Loss Reduction - Phase I

This Scope of Services is for the following:

- Meter Health Analytics on 109 Water Meters

PROJECT MANAGEMENT SERVICES

- PM1) Project Schedule and Work Plan for Utility Review and Approval
- PM2) Safety and Communication Plan for Utility Review and Approval
- PM3) Project Management Video Kick-Off Call
- PM4) Project Management Monthly Video Call with Project Updates
- PM5) Project Tracking of critical events and corrective actions

PROJECT SERVICES

- P1) Management Briefing Sheet with FAQs and project goals
- P2) Site Survey Reports for each asset Location. Reports include:
 - Pictures of existing asset and location conditions
 - Assessment of safety protocol for installation activities
- P3) Olea sensor and edge computer Installation and Service
 - Initial sensor and edge computer installation on each asset
 - Training for Client to remove and reinstall the sensors (in case of emergency or asset repairs)
- P4) Olea System Monitoring & Communication
 - Access and training to the Utility Dashboard
 - Initial Finding Reports for each asset
 - Repair Confirmation, validating the repairs were completed as intended not less than 30 days after sensors have been reinstalled
 - Monitoring of assets, sensors, and edge computers
- P5) Removal & Reinstallation of Hardware



Subcontractor (ME Simpson) will be responsible for Olea Hardware removal and reinstallation post Olea analysis. Please see fee schedule in Appendix A.

METER SELECTION

MS1) Client will provide Olea with a list of assets per the project scope defined above.

EQUIPMENT DELIVERABLES

E1) 109 – MHA 100 Edge Computing Units with cell-based communication and antenna

E2) 109 – MHA 100 Sensor Packages

E3) 109 – MHA 100 Power Supply – as determined by site visit

Please note Olea's solutions are delivered as a service and as such all equipment delivered remains in the ownership of Olea Edge Analytics and may be upgraded or replaced as necessary to maintain or improve the service.

LIMITATIONS OF USE

LU1) Olea reserves the right to not Install Olea technology, at Olea's sole discretion, on assets or locations which are not safe or do not offer the ability for successful Installation and operation of Olea technology.

PROJECT BUDGET

<u>Item</u>	<u>Qty</u>	<u>Unit Price</u>	<u>Total Price</u>
ALX - MHA100 Annual Subscription	109	\$1,200	\$130,800
ALX - MHA100 Initial Installation	109	\$250	\$27,250
ALX - Asset Survey	109	\$250	\$27,250
Total			\$185,300

Subcontractor (ME Simpson) contingency for repair services (unit pricing found in Appendix A)	\$100,000
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OLEA TERMS AND CONDITIONS

These Terms and Conditions are effective on the date set forth on the Quote ("Effective Date") and with the Client set forth on the Proposal ("Client") and **OLEA NETWORKS, INC.** hereinafter referred to as the "Olea" (collectively referred to as the "parties").

WITNESSETH:

In consideration of the mutual covenants set forth herein, the parties agree as follows:

Olea shall provide Olea technology and services ("Olea Technology") based upon the Proposal, these Terms and Conditions and the Scope of Services ("Agreement"). In the event of conflicts between the documents, the following order of precedence shall apply: i) Proposal; ii) Scope of Services; and iii) Terms and Conditions.

No representations, arrangements, understandings, or agreements relating to the subject matter exist amongst the parties except as expressed in this Agreement.

1.0 SCOPE OF SERVICES

The scope of services to be performed shall be as set forth in the Scope of Services, as specifically set forth in Exhibit A ("Services").

2.0 TERMS AND CONDITIONS

This Agreement is subject to the following Terms and Conditions:

2.1 Term: The term of this Agreement shall cover the period set forth in the Proposal ("Term").

2.2 Equipment: The Services shall include use of equipment provided by Olea during the Term ("Equipment"), as specifically set forth in Exhibit A. Title to equipment set forth in the SOW ("Equipment") shall remain with Olea at all times. Olea will arrange for setup, installation, and start-up testing of the Equipment to ensure that it complies with the operating with Olea's operating standards. Client agrees: (i) to maintain and operate the Equipment only in accordance with published documentation, and (ii) not to make any alterations or modifications to the Equipment. At the end of the Term, Client shall return the Equipment to Olea or at Olea's expense or allow Agreement or to reasonable access to remove the Equipment.



- 2.3 Use of Software:** During the Term of this Agreement, Olea grants to Client a limited, non-exclusive, non-transferable, non-assignable right to use the installed and web-based applications provided by Olea and intended for use with the Services (“Software”) solely with Services during the Term. Client agrees that it will not: (i) attempt to copy, modify, duplicate, create derivative works from, frame, mirror, republish, download, display, transmit, or distribute all or any portion of the Services; (ii) attempt to reverse compile, disassemble, reverse engineer, or otherwise reduce to human-perceivable form all or any part of the Services; (iii) license, sell, rent, lease, transfer, assign, distribute, display, disclose, or otherwise commercially exploit the Services, or otherwise make the Software available to any third Party (e.g., as a service bureau); (iv) use the Software for any purpose other than their intended purpose; or (v) circumvent or disable any security or other technological features or measures of the Software.
- 2.4 IP Ownership:** Subject to the Freedom of Information Act Olea retains all of its right, title and interest in the Services, Software and all modifications and derivative works made, including all intellectual property rights therein. To the extent Client acquires any right, title or interest in such intellectual property rights, Client agrees to and does hereby assign to Olea or its designee, all rights, title, and interest (including all IP rights) in and to such intellectual property.
- 2.5 Insurance:** Unless otherwise specified in writing by Client, Olea shall maintain, for so long as this Agreement is in effect, the following types and amounts of insurance coverage: (a) with respect to any Agreement covering work or Services performed for Client, regardless of location: Commercial General Liability insurance with a limit of liability that is not less than \$1,000,000 combined single limit; \$2,000,000 in aggregate and (b) with respect to any Agreement covering work or Services performed on property owned or leased by Client, or on property otherwise operated by or on behalf of Client: (i) Workers’ Compensation insurance which satisfies applicable statutory requirements; (ii) Professional Liability insurance with a limit of liability that is not less than \$1,000,000 and in aggregate per claim; (iii) Cyber E/O of \$5,000,000 per claim and in aggregate; and (iv) Automobile Liability insurance with a limit of liability that is not less than \$1,000,000 combined single limit. Olea hereby covenants and agrees as follows: (a) each such insurance policy shall be underwritten by a responsible and solvent insurance company that is acceptable to Client; (b) the insurance coverages specified above shall constitute minimum requirements; and (c) upon request by Client, Olea shall promptly furnish Client with copies and/or certificates of insurance evidencing the insurance coverage specified above. Nothing contained herein shall be deemed to constitute a waiver of Client’s sovereign immunity under law.
- 2.6 General Warranty and Limitation of Liability:** Olea hereby represents and warrants to Client that Equipment and/or Services supplied hereunder shall: (A) conform to the requirements of the Agreement, including Exhibit A; (B) meet or



exceed standard industry practices and procedures; (C) be manufactured, produced, furnished and/or performed in accordance with Applicable Law (as defined below); (D) be free from defects in design, workmanship and materials; (E) be delivered and conveyed to Client free and clear of any liens, claims or encumbrances of any nature whatsoever; and (F) to the best of Olea's knowledge, the Equipment furnished under this Agreement will not infringe upon any United States patent, copyright, trademark, trade secret, or other intellectual property rights. Olea shall have no warranty obligations for Services or Equipment when due to: i) improper use or use not in compliance with published documentation or instructions provided by Olea; ii) negligent or improper maintenance or Equipment; ii) failure to maintain equipment interoperating or required for use with the Services or Equipment, including without limitation, pipes and valves. Olea, at its own cost and expense, has obtained, or will obtain, prior to the delivery of any Equipment or performance of any Services, hereunder, all approvals required by Applicable Law in connection with the transactions contemplated hereby, and Olea will furnish Client, upon request, with copies or other satisfactory evidence of all such approvals. As employed herein, the term "Applicable Law" shall mean all federal, state, and local laws, rules, regulations, orders, codes, ordinances, and regulations applicable to the transactions contemplated by the Agreement and to the Equipment and/or Services supplied hereunder. Except as specifically set forth in this Agreement, the Parties disclaim all other warranties, express or implied. In addition, neither Party shall be liable to the other party for any lost profits, revenues or indirect, special, incidental, consequential, cover or punitive damages, whether in tort or contract, or for amounts greater than five (5) times fees paid to Olea during the term of this Agreement.

2.7 Indemnification: Olea shall defend, indemnify and hold harmless Client and Client's members, officers and employees from and against any and all claims, losses, liabilities, damages and expenses (including reasonable attorneys' fees and costs) (collectively, the "Losses") arising out of or in connection with: (1) any material breach of the representations, warranties, agreements and covenants of Olea contained in the Agreement ; (2) any injuries to persons or property caused by any grossly negligent or wrongful act or omission of the Olea or its subcontractors, vendors, employees, or other authorized representatives; (4) any claims filed against Client by a subcontractor or employee of Olea; or (5) any claims or suits for infringement of United States or foreign patents, copyrights, trademarks, trade secrets, or other intellectual property rights or claims of unfair competition arising out of or resulting from Client's purchase, use, and/or possession of any Equipment and/or Services furnished under the Agreement.

2.8 Default and Termination: Each of the following events shall constitute a default for purpose of this Agreement (each of which shall entitle the non-breaching Party to terminate for default in accordance with this Section): (a)



any bankruptcy proceeding by or against either Party or the appointment of a trustee for the benefit of creditors; or (e) a breach by either Party or failure and failure to cure such breach within 30 days following written notice by the non-breaching Party. In the event of termination for default, Client shall not be liable to Olea for payment of any amount beyond the value of any conforming Equipment and Services shipped or received and accepted by Client.

3.0 COMPENSATION

Total compensation for the Services shall be set forth in the Scope of Services.

4.0 GENERAL

4.1 Confidentiality

A. Olea Confidentiality

Olea acknowledges and understands that its employees may have access to proprietary, business information, or other confidential information belonging to Client. Therefore, except as required by law, Olea agrees that its employees will not:

1. Access or attempt to access data that is unrelated to their job duties or authorizations as related to this Agreement.
2. Access or attempt to access information beyond their stated authorization.
3. Disclose to any other person or allow any other person access to any information related to Client or any of its facilities or any other user of this Agreement that is proprietary or confidential. Disclosure of information includes, but is not limited to, verbal discussions, FAX transmissions, electronic mail messages, voice mail communication, written documentation, "loaning" computer access codes and/or another transmission or sharing of data.

Olea understands that Client, or others may suffer irreparable harm by disclosure of proprietary or confidential information and that Client may seek legal remedies available to it should such disclosure occur. Further, Olea understands that violations of this provision may result in termination of the Agreement.

Olea understands that information and data obtained during the performance of this agreement shall be considered confidential, during and following the Term of this Agreement, and will not be divulged without the Client's written consent and then only in strict accordance with prevailing laws. Olea shall hold all information provided by Client as proprietary and confidential and shall



make no unauthorized reproduction or distribution of such material. Notwithstanding the foregoing, Olea shall be permitted to use Client data in an anonymized and deidentified format to improve the Services.

B. Client Confidentiality

In addition, Client understands that certain information provided by Olea during the performance of this Agreement may also contain confidential or proprietary information. Client shall hold all information provided by Olea as proprietary and confidential and shall make no unauthorized reproduction or distribution of such material, subject in all instances to the applicable state freedom of information act.

4.2 Force Majeure

A party is not liable for failure to perform the party's obligations if such failure is as a result of Acts of God (including fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, act of foreign enemies, hostilities (regardless of whether war is declared), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, blockage, embargo, strikes at national level or industrial disputes at a national level, or strike or industrial disputes by labor not employed by the affected party, its subcontractors or its suppliers and which affect an essential portion of the contracted for works but excluding any industrial dispute which is specific to the performance of the works or this contract, interruption or failure of electricity or telephone service.

If a party asserts Force Majeure as an excuse for failure to perform the party's obligation, that party must promptly notify the other party giving full particulars of the event of force majeure and the reasons for the event of force majeure preventing that party from, or delaying that party in performing its obligations under this contract and that party must use its reasonable efforts to mitigate the effect of the event of force majeure upon its or their performance of the contract and to fulfill its or their obligations under the contract.

4.3 Authorization to do Business: Olea represents that: (a) it is authorized to transact business in the state where Client resides; and (b) it shall not allow its existence to lapse or its certificate of authority or registration to transact business in such state, to be revoked or canceled at any time during the term of this Agreement.

4.4 Waiver: Any waiver by a Party of any breach by the other Party of any term or condition of the Agreement shall not constitute a waiver of any subsequent breach of the same or any other term or condition hereof. The rights and



remedies of Client set forth herein are not exclusive but are in addition to all other rights and remedies of Client under applicable law.

- 4.5 Survival:** Sections 2.4 through 2.9, Sections 3 and 4 shall survive any expiration or termination of this Agreement for any reason.
- 4.6 Governing Law; Venue; Waiver of Jury Trial:** The Agreement (and the transactions contemplated hereby) shall be governed in all respects, whether as to validity, construction, capacity, performance or otherwise by the laws of the state where Client resides (Illinois), without reference to conflict of laws principles. Any action or proceeding arising out of or related to the Agreement shall be brought only in the Sixteenth Judicial Circuit Court in Kane County, Illinois. The parties hereby consent to such venue and to the jurisdiction of such courts over such proceeding and themselves.
- 4.7 No Assignment, Substitutions or Modifications:** Olea shall not assign or subcontract any right or obligation under the Agreement without Client's prior written consent. No substitution, change, modification, or deviation from the terms of the Agreement shall be made without prior written authorization from Client.
- 4.8 Entire Agreement:** The Agreement, together with all exhibits and attachments hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior proposals, understandings, and agreements, whether oral or written between the parties with respect to the subject matter hereof.

---End of Agreement---



Appendix A – Subcontractor (ME Simpson) Unit Pricing

Unit Pricing shown below are based on a minimum of 3 meters scheduled per day

1 ½" through 12" displacement, compound and turbine style meters repaired and reinstallation of Olea Edge Analytics Technology (3 meter minimum)	\$775.00 each*
1 ½" through 12" displacement, compound and turbine style meters repaired and reinstallation of Olea Edge Analytics Technology (less than 3 meters)	\$2,350.00/day*
1 ½" through 12" water meter inspection/recommend (NON-Repairable) Appointment/Client/Account MISSED/NO SHOW	\$495.00 each \$775.00 each

*Parts are NOT included Fee