



Intelligence to Act

A proposal for
City of Burleson, TX



Proposal & Scope of Work

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ASTERRA

ASTERRA uses patent-protected technology for infrastructure condition assessment, pipe replacement modeling, and leak detection in urban and rural, water or sewage networks, using L-band synthetic aperture radar (SAR) mounted on a satellite. The technology is based on a proprietary algorithm that detects soil moisture resulting from treated water or wastewater leaks, through the analysis of SAR data. This is of considerable value to industry, governments, and citizens. Because the observation point is orbiting 390 miles above the Earth, this allows for simultaneous monitoring of pipes within a large network.

ASTERRA's Martian Roots

ASTERRA's core technology is based on the search for underground water on Mars and other planets. Lauren Guy, a geophysicist, and entrepreneur who developed the approach, quickly recognized the application could be even more effective here on Earth. The water was closer, the need more immediate, and the technology had the potential to solve a number of critical problems. Mr. Guy founded Utilis (now known as ASTERRA) in 2013 to develop applications for the new technology. In 2016, leak detection in underground water systems became the first commercially used application. This solution is now called Recover.

A Revolutionary Change

From an orbiting satellite, our algorithm which is fine-tuned to detect treated drinking water and wastewater, reveals underground leaks as small as 0.2 gallons per minute. Now, managers of underground water infrastructure can see the water leaking from their systems. Even in the largest cities, it could be seen all at once, with unheard-of speed and efficiency. ASTERRA continues to refine the technology and expand its applications beyond leak detection, adding pipeline monitoring and deficiency analysis as well as property assessment to its growing capabilities.

Impact

ASTERRA actively contributes to the United Nations Sustainable Development Goals, particularly focusing on Goal numbers 6 (Clean Water and Sanitation), 9 (Industry, Innovation, and Infrastructure), and 13 (Climate Action). By leveraging our expertise in satellite-based infrastructure intelligence, we empower organizations to make data-driven decisions and build a resilient and sustainable future. We are dedicated to creating lasting positive change and supporting the achievement of the SDGs globally.



1. Satellite Radar – Scan Acquisition

Raw scans of the area taken by radar over Areas of Interest (AOI) received from client

2. Radiometric Corrections

ASTERRA takes the raw scan and prepares it for analysis, by filtering interferences from buildings, manmade objects, vegetation, water bodies, and more

3. Algorithmic Analysis

ASTERRA's unique and patented algorithm targets the spectral signature of treated water or wastewater and its interaction with the soil

4. Availability to Client

Newly detected leak locations are delivered via the EO Discover platform to the client on an ongoing basis, with frequency depending on the level of monitoring purchased.

Advantages of Ongoing Monitoring

Today, utilities typically survey their system blindly and reactively. This approach yields minimal results which leads many utilities to deprioritize proactive leak detection. Usually, utilities are forced to use limited resources for work orders to find, dig and repair leaks. In most cases, this results in falling further behind the curve and increased pipe breakages. Rather than leak detectors surveying the entire system blindly, Recover guides leak detectors to likely leak locations or points of interest which ASTERRA has highlighted through their analysis. Now, leak detectors only need to walk 5-10% of the system where water is already leaking. With a single scan, ASTERRA identifies ~30% of the active leaks in your system. Additional scans allow for ongoing monitoring which will result in more active leaks being identified in your system. Additionally, leaks are continuously arising and enlarging, thus ongoing monitoring will continue to detect more leaks even in areas previously inspected.

Client Benefits & Impact

ASTERRA provides a comprehensive, accurate, and non-invasive remote sensing solution for locating leaks and monitoring any potable water and wastewater system in the world. This works over any type of terrain – flat or hilly; sparsely populated or densely populated high-rises. This is done by extracting information from SAR scans taken high above the ground and converting them into locations of underground potable water or wastewater leaks. Reducing NRW additionally has a positive effect on the environment. By reducing non-revenue water loss, the amount of processing decreases, resulting in a reduction of power use and the associated environmental effects. Locating and fixing wastewater leaks in sewer systems also helps the environment by preventing pollution.

Main benefits of Recover:

- Non-invasive technology: Deployment of sensors or hardware on the ground is not necessary.
- ASTERRA technology is effective irrespective of soil type, pipe material, and pipe diameter.
- Covers large areas at once. Surveys an entire system in urban and rural areas, while also providing location intelligence at a fine resolution. Identifies potential leaks in areas that traditional acoustic leak detection programs may not typically survey.
- Find more leaks in a shorter period: Increases the efficiency of traditional acoustic leak detection programs by prioritizing work locations and offering quicker response times.
- Screening technology that can be used directly or indirectly for condition assessment, asset budget planning and work on structural changes prioritizing network riskier zones.
- Identifies background (i.e., non-surfacing) leaks that might otherwise go undetected for long periods of time.
- Can fit into either CAPEX or OPEX budgets.
- Provides a positive impact on the environment (reduces water loss, electricity used, and CO2 produced).

ASTERRA's Solutions

ASTERRA's solutions include Recover and MasterPlan for potable water and wastewater. All are made available on ASTERRA's EO Discover platform. Recover and MasterPlan are ASTERRA's commercial services offered in this proposal. The output from the proprietary algorithm is provided through the analysis of the SAR data combined with other processing techniques owned by Utilis (dba ASTERRA).

Recover for Leak Detection

Recover, the recipient of the AWWA Innovation Award in 2021, is a satellite-based solution for monitoring and detecting leaks in drinking and wastewater systems. It enhances operational efficiency and budget optimization by providing infrastructure intelligence for proactive pipe repair and planning. With Recover, entire city-wide systems can be monitored efficiently.

This advanced technology quickly locates non-surfacing leaks, allowing leak detection crews to focus on targeted repairs instead of unnecessary digging. Compared to traditional methods, Recover identifies more leaks and increases field crew efficiency by up to 400%. It offers the water industry the lowest cost per leak found, averaging 3.5 leaks per crew day compared to 1.3 with traditional acoustic methods. By reducing non-revenue water loss, which amounts to 17 billion gallons annually worldwide, Recover brings significant benefits to companies in the industry.

Furthermore, Recover assists the wastewater sector by mitigating the risks of fines, consent decrees, legal consequences, and reputational damage.

Recover Insights

At the start of the client’s subscription period, each client is provided access to the EO Discover platform where they can access the data in the form of GIS files, the U-View application, or the dashboard with individual projects and field performance metrics. Each client is also provided access to the U-Collect field investigation application. The platform can be accessed 24/7 during the subscription period to view ASTERRA’s analysis and results of field investigations track success metrics. Recover’s specific features include:

Recover (POI Output): A GIS layer containing the POIs, provided in SHP and KML format for import into any GIS system (client-based, ESRI, or ASTERRA-provided U-Collect and U-View) that can be overlaid on a map displaying streets, pipes, hydrants, valves, and potential leak information.

EO Discover: A link to the EO Discover password-protected platform displaying data and field results, along with monitoring the progress of the project/service progress in real-time.

Temporal and Spatial Analysis: With a single scan, Recover identifies ~30% of the leaks in a given system. With multiple scans, Recover will identify up to 25% more of the leaks in the given system. Through multiple scans we can identify leak clusters through a temporal and spatial analysis which will aid in maintenance prioritization and asset management plans.

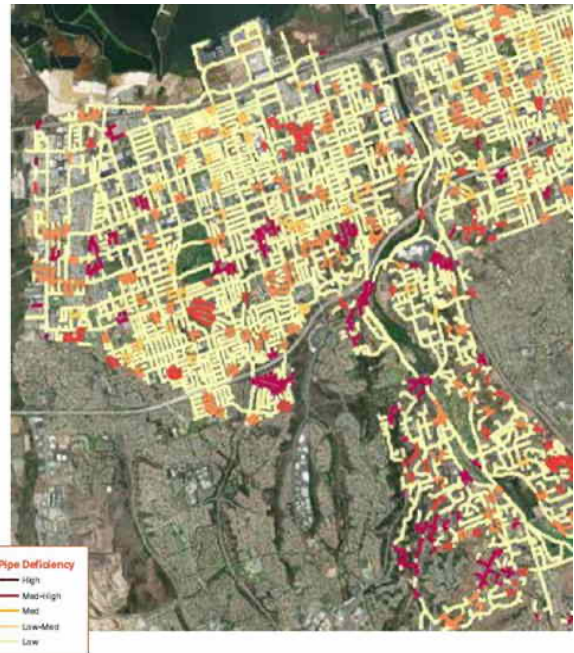
MasterPlan for Pipe Deficiency Assessment

Providing unique insights not available from anyone but ASTERRA, MasterPlan is an actual (not predictive) measurement of non-surfacing pipe leaks. It is pipe agnostic and collected non-invasively by a satellite with wide coverage, often scanning a full system instantaneously. MasterPlan provides actionable insights into your asset management plan in one easy data layer. Trained on five years of leaks discovered using Recover, the new algorithm assesses the deficiency of an entire pipe system using multiple SAR scans over time.

ASTERRA MasterPlan provides a GIS dataset containing pipe deficiency levels derived from SAR data. This solution is based on the same proven patented algorithm that is used by Recover to detect leaks in your system but is extended to monitor your system over time using statistical analysis. The general process takes all POIs identified in two consecutive satellite scans (identical coverage and angle) over your area of interest and analyzes the POI results. It then compares the POIs from multiple scans and identifies the clusters of POIs between them.

These results are processed through a learned statistical algorithm and used to assign pipes a score from low to high, signifying the level of deficiency observed.

With ASTERRA Masterplan, we can identify critical areas where the client can focus its future pipeline rehab and replacement efforts. These high deficiency areas can be used for asset management planning purposes, e.g., capital improvement replacement planning.



MasterPlan Insights

MasterPlan provides utilities and engineers with insights into actual pipe conditions. This GIS data layer is compatible and easily integrates into all GIS and GIS-based software. Combine this data with other information, such as pipe age, material, work orders, and consequence of failure to further enhance your replacement planning models or water system master plans.

MasterPlan (Pipe Deficiency Output): A GIS layer containing client pipe segments rated based on condition. Provided in SHP and KML format for import into a GIS or risk modeling system (Client map displaying streets, pipes, hydrants, valves, and potential leak information).

EO Discover: Login credentials to the EO Discover's password-protected platform for viewing the pipe data via GIS or U-View applications and for monitoring pipe deficiency levels.

MasterPlan Pipe Deficiency Assessment: A summary assessment detailing the condition of the client's pipes based on the GIS data output of pipe scores from low to high deficiency.

U-View Licenses: Licenses are provided for U-View (allows the client to view the data) for the duration of the EO Discover subscription period.

Typical Process and Timeline

- After confirmation of the order through the contract signature or receipt of a purchase order, ASTERRA will acquire the satellite scan(s). ASTERRA must have the order confirmation at least 21 days prior to the first date of satellite coverage to move forward with the satellite data procurement. The date of the acquisition is subject to the technical and operational constraints of the third-party satellite operation company and may change at any time.
- Before the acquisition, the client will provide ASTERRA with an Area of Interest (AOI). Unless agreed otherwise by the parties, the AOI is a designated geographical area to be surveyed using satellite within the client-provided service area.
- During the period prior to the scan acquisition, the client will provide ASTERRA with a GIS layer of all available treated water or sewage lines in the AOI to be analyzed. If available, the client will also provide a hydrant and valve layer within the AOI.
- Unless otherwise agreed upon by both the parties, ASTERRA will provide services only in the AOI overlapping with the client's provided GIS pipe system layer.
- After acquiring the scan and receiving the GIS pipe layers from the client, data will begin to populate on the EO Discover platform. This is approximately 7-14 business days after the first scheduled scan acquisition date. Scan acquisition dates may be changed by a third party (satellite operator) or due to technical constraints. Service start dates may be affected due to poor scan quality according to ASTERRA's quality assurance standards.
- Where applicable, leak field inspection work can begin after the leakage data has populated on EO Discover on an agreeable date between both parties.

PROPOSAL

Scope of Work

The scope of work contained herein details the work and services ASTERRA will provide as well as the roles and responsibilities of both ASTERRA and the City of Burleson, TX (“**Client**”).

Roles, Responsibilities, and Offerings – ASTERRA

ASTERRA will provide Recover data as a service via EO Discover and it will consist of areas identified as potential leaks (i.e., areas containing soil moisture of treated water and/or wastewater underground) using a proprietary satellite imaging algorithm across the **Client’s** water system. ASTERRA will provide a primary contact person for technical and administrative purposes who will interact with the **Client**.

ASTERRA’s Responsibilities (“Services”):

- Acquiring and analyzing the satellite scan(s).
- Providing potential leak location data as a service through our password-protected platform, EO Discover. This data can be exported as GIS data files.
- Providing best practices for field inspection protocols to the Client.

ASTERRA’s Solution for Potable Water:

- **Recover (POI Output):** GIS layer containing the POIs, provided in GIS data files formatted for import into any GIS system.
- **EO Discover:** Provides access to monitor and track the progress of the project/service in real time and calculates ROI and impact metrics for ongoing KPI tracking. The license is for the period of service purchased.
- **U-Collect and U-View Licenses:** Provided for each of the following: U-Collect (allows field technician to collect data in the field), and U-View (allows field technician to view data from anywhere). The license is active upon delivery for the period of service. Additional licenses may be purchased and/or the initial license extended at the request of the client.

- **Kick-off Meeting:** Prior to fieldwork, an ASTERRA or ASTERRA-certified team (regardless of if it the client's team or a contractor), will call a kick-off meeting to agree on the operational field plan to address the Client's specific needs and the best practices required to get the best results.
- **Optional: Acoustic Leak Detection for Field Investigation (for Potable Water Pipelines Only):** Based upon selecting this option, ASTERRA will provide a certified subcontracted acoustic leak detection team to investigate the points of interest, provide a list of verified leaks, and mark them for repair. The leak detection field verification team(s) is proficient and experienced in using and operating acoustic equipment. The team should be provided with all the needed tools to access the listening points.
- **Optional: ASTERRA MasterPlan Pipe Deficiency Map,** provided as a GIS data set, if purchased within the Recover tier available or as an additional service option.
- **Optional: ESRI Arc GIS Field Maps Integration –** data provided in your ESRI ArcGIS online accounts for easy use in ArcGIS Field Maps. (Additional cost may apply if it is not included in the Recover service tier already).

ASTERRA's Solution for Wastewater

- **Recover (POI Output):** GIS layer containing the POIs, provided in GIS data files formatted for import into any GIS system.
- **EO Discover:** Provides access to monitor and track the progress of the project/service in real time and calculates ROI and impact metrics for ongoing KPI tracking. The license is for the period of service purchased.
- **Kick-off Meeting:** ASTERRA or ASTERRA-certified team will call a virtual kick-off meeting to discuss the data delivered and demonstrate the usage of the platform.

Roles, Responsibilities, and Offering – Client

The Client is responsible for providing baseline system data, work order history, and in some cases, an acoustic field verification team to inspect POIs identified by ASTERRA. The client shall identify a primary contact person for technical, administrative, and field inspection coordination. ASTERRA agrees to use the information described below only for the client's specific project and to not share the information with any other third party.

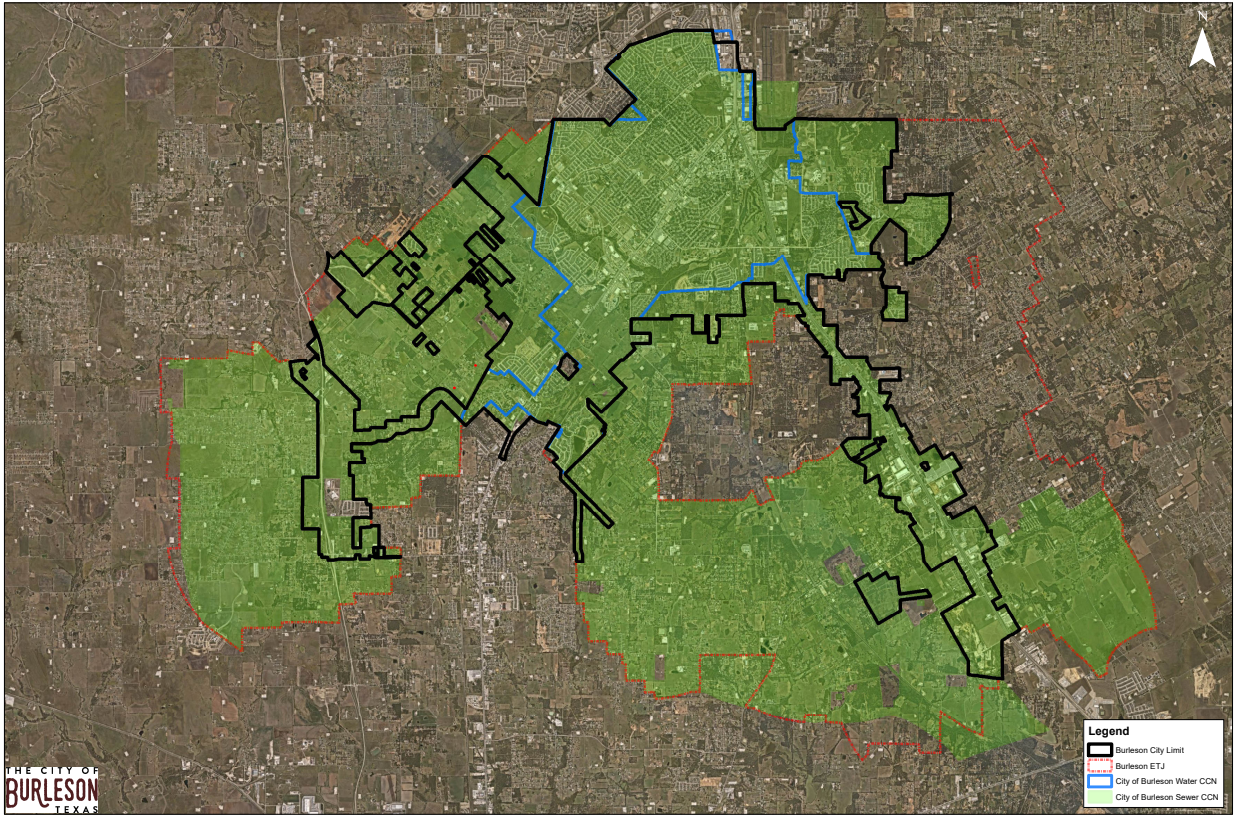
Client Responsibilities

- **Pipe System Information for Potable Water Lines:** Prior to scan acquisition, the **Client** shall provide ASTERRA with a detailed and accurate GIS pipe system layer. If GIS is not available, roads will be used to guide the analysis. ASTERRA will use this layer to identify POIs. The GIS layer should include pipe material and diameter, length of pipeline to be analyzed, hydrants, valves, and any other detailed information available.
- **Pipe System Information for Wastewater Lines:** Prior to scan acquisition, the **Client** shall provide ASTERRA with a detailed and accurate GIS pipe system layer. If GIS is not available, roads will be used to guide the analysis. ASTERRA will use this layer to identify POI locations. The GIS layer should include pipe material and diameter, forced and/or gravity lines, length of pipeline to be analyzed, manholes, depth, and any other detailed information available.
- **Leak Detection History (Work Orders):** The **Client** shall provide ASTERRA with a detailed and accurate history of leak findings and repairs beginning one (1) week before the date the first satellite scan is acquired and through the project life cycle.
- **Leak Detection Performance Metrics for Potable Water Lines:** The **Client** shall provide ASTERRA with relevant and available performance metric data related to previous **Client**-utilized leak detection methodologies. This information will be used to calculate value metrics of the service and will be provided to the Client in the final report for their use.

Client Services for Potable Water

Areas of Interest (AOI)




During this service, ASTERRA will survey the Area of Interest (AOI) to be determined by the client, up to 223 linear miles of potable water lines and 226 linear miles of wastewater lines of mains as outlined in the image below:



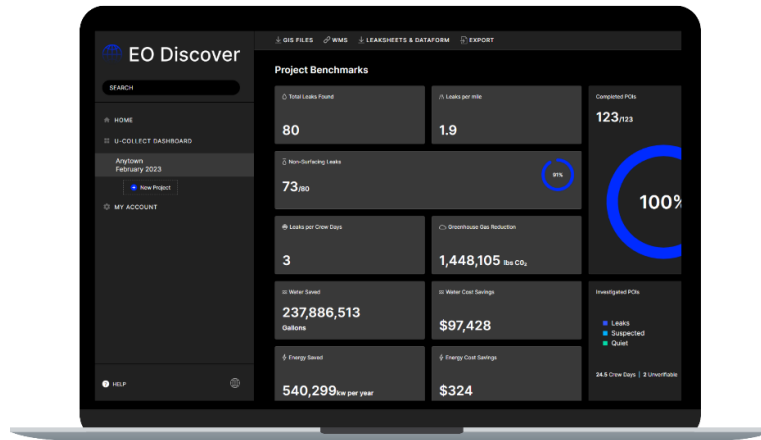
Once ASTERRA receives the full GIS pipe system information from the client, the pipe and total miles analyzed per delivery will be identified. Note: both main and service lines will be counted for total pipe length calculation.

Subscription-Based Service Packages

ASTERRA’s Recover solution and features are provided via a subscription to EO Discover with an option to select one of three distinct levels of service (Detect, Prevent or Advise). Each service level contains specific features designed to meet clients’ current and future needs, with additional add-on services available.

Detect 	Prevent 	Advise 
2 licenses: EO discover	4 licenses: EO discover	6 licenses: EO discover
Base line leak analysis	Base line leak analysis	Base line leak analysis
Leak Locations	Leak Locations	Leak Locations
U-collect/U-View Apps (2 licenses)	U-collect/U-View Apps (4 licenses)	U-collect/U-View Apps (6 licenses)
Final Program Report	Temporal and Spatial leak Analysis	Enhanced Temporal and Spatial leak Analysis
	Prioritized Leak locations for field investigation	Prioritized Leak locations for field investigation
	Final Program Report	MasterPlan Pipe Deficiency Map
		ESRI ArcGIS Field Maps Compatibility
		Personal Success Manager
		Final Program Report

Always Included: Online support, customized success plan, best practices tutorials



Pricing

Area of interest (AOI) for analysis:

Potable Water lines: 223 linear miles of mains and service piping.

Wastewater lines: 226 linear miles of mains and service piping.

	Prevent	
	QTY	Price
Package	12 months	\$58,000
MasterPlan	1	Included
Subcontracted Acoustic Leak Detection Technician – BOTG (40 Hours/5Days)	3	\$30,000
DFW Area Initiative Discount w/ \$215K+ Participating	1	(\$14,500)
Total		\$73,500

Proposal is valid until: February 28th, 2025

Note: Once a package is selected, please contact ASTERRA sales team for terms of use and signature processing.



**ASTERRA Statement of Work
&
Software Terms of Use**

Provided to:

**City of Burleson, TX
December 13th, 2024**

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Statement of Work (SOW)

This Statement of Work (“**SOW**”) is provided in connection with the Terms of Use governing the use of ASTERRA’s Services and Platform.

Capitalized terms not defined herein shall have the respective meanings as set forth in the Terms of Use.

A. ROLES, RESPONSIBILITIES AND SERVICES – ASTERRA

1. GENERAL

ASTERRA offers its Clients, a patented technology operated by **Utilis Inc.** for pipe replacement modeling, and leak detection in urban and rural water networks, using L-band synthetic aperture radar (SAR) mounted on a satellite. The technology is based on a proprietary algorithm that detects soil moisture through the analysis of SAR data.

2. ASTERRA’S PRODUCTS OVERVIEW

ASTERRA will provide Client with the following Products available through the Platform: “Recover”, “MasterPlan” (the “**Products**”), and their related Service Tiers: “Detect”, “Prevent” or “Advise” (the “**Service Tiers**”).

2.1 Recover - Satellite-Based Leak Detection and Analysis

ASTERRA Recover provides customers with leak detection monitoring for drinking and wastewater systems utilizing Synthetic Aperture Radar (SAR) signals from satellites to illuminate the area of interest and collect the resulting reflected signals. These signals are analyzed with the ASTERRA patented algorithm and processed to identify specific indicators of wet soil saturated with potable or wastewater, screening out the signal noise and other interference. The result is a map showing likely leak locations, or Points of Interest (POI). These results typically encompass 5 – 10 % of the entire system length, so that the clients time and resource cost to inspect is much lower than traditional inspection methods. Recover is available as a subscription with various levels of service to match client’s needs.

2.2 MasterPlan – Pipeline Monitoring and Deficiency Assessment

Similar to Recover, ASTERRA MasterPlan utilizes Synthetic Aperture Radar (SAR) signals from satellites to illuminate the area of interest and collect the resulting reflected signals over time. These signals are analyzed with the ASTERRA patented algorithm and processed to identify the condition of underground water infrastructure, with pipes scored on a 1 – 5 scale, from a low level of deficiency observed to high levels of deficiency. The algorithm scores pipe segments exhibiting non-surfacing leaks and analyzes leak clusters over time contributing to the development of long-term maintenance and pipe replacement plans. MasterPlan is compatible with all GIS-based asset planning model tools and easily integrates with attribute



data such as pipe age, material, and work orders from surfacing leaks. MasterPlan is available in the Advise level subscription or as an additional service to Clients in the Prevent tier.

B. ROLES, RESPONSIBILITIES – CLIENT

1. GENERAL

Client is responsible for providing baseline system data, work order history and in some cases, an acoustic field verification team to inspect points of interests (POI) identified by ASTERRA. **Client** shall identify a primary contact person for technical, administrative, and field inspection coordination.

2. CLIENT RESPONSIBILITIES:

Client shall provide ASTERRA with the following materials (“**Materials**”):

2.1 Area of interest (AOI): the Client will provide ASTERRA with an area of interest (AOI). Unless agreed otherwise by the parties, the AOI is a designated geographical area to be surveyed using ASTERRA technology. AOI is required for all Products. AOI is attached as **Annex A** hereto and as agreed upon number of linear miles or area defined in Section E herein.

2.2 Recover Product/MasterPlan Pipe System Information: prior to image acquisition, the Client shall provide ASTERRA with a detailed and accurate GIS pipe system layer in the form of a shapefile or KML/KMZ. ASTERRA will use this layer to identify POI locations. The GIS layer should include pipe material, pipe age, pressure zone, and diameter, length of pipeline, trunk, main and service to be analyzed, and major appurtenances including hydrants, valves, and any other detailed information available.

2.3 Recover/MasterPlan Leak Detection History (Work Orders): The Client shall provide ASTERRA with a detailed and accurate history of leak findings and repairs through the “Go-Live Date”.

2.4 Recover/MasterPlan Leak Detection Performance Metrics: The Client shall provide ASTERRA with relevant and available performance metric data related to previous Client-utilized leak detection methodologies, field investigation process, timing, methods, and data delivery timing information, customer cost of water and cost of energy per CSM interview. This information will be used to calculate performance metrics of the service.

C. WORK PROCESS TIMELINE

1. Upon receipt of Client’s Materials, ASTERRA shall initiate the satellite imagery acquisition and analysis. Once the analysis is completed, ASTERRA will inform Client of the “Go-Live-Date” and access to Product will be granted to Client. “Go-Live-Date” notice will be furnished by ASTERRA upon 7-14 business days after the scheduled image acquisition date. Image



acquisition dates may be changed by a third party (satellite operator) or due to technical constraints. "Go-Live-Date" may be affected due to poor image quality according to ASTERRA's quality assurance standards.

2. Unless otherwise agreed upon by both parties, ASTERRA will provide Services only in the AOI overlapping with the Client's provided GIS pipe system layer.
3. Recover leak field inspection work can begin after the leakage report has been delivered to the Client customer portal and ASTERRA has provided training, guidance, and interpretation of the leakage data.
4. Unless otherwise agreed upon by the parties, field work with an ASTERRA field engineer will be conducted only within the borders of the AOI and at sites where access is provided by the client.
5. Delays in the provision of Materials may result in delays and/or additional cost in performing the Services. Where required, Client shall furnish access to Client's premises, and appropriate worksite, as necessary for performance of those portions of the Services to be performed at Client's premises.
6. Solely to the extent that ASTERRA provides Client pursuant to the applicable SOW with field work (by its own personnel or by its subcontractors), ASTERRA agrees to defend and indemnify Client and its respective directors, officers, employees, consultants, successors and assigns (collectively "Client Indemnitee") from and against any claim by a third party brought against Client Indemnitee, relating to any negligence or willful misconduct of ASTERRA or its subcontractors in providing such field work, except if the claim results from the instructions of Client or a Client Indemnitee.

D. ACCESS TO PLATFORM AND PRODUCTS

1. Provision of the Platform: portal environment, applicable licenses, including U-Collect and U-View licenses, analytics, reports and data that can be used in Client's GIS systems.
2. Access to the Platform shall only be granted upon ASTERRA's "Go-Live" notice to the Client and shall expire on the Service termination date.
3. Upon expiration or termination of the Agreement for any reason, Client will not be able to access the Services and/or, the data stored within the Platform, the Platform, related software and mobile applications, ASTERRA's support and any other software or data related to the Service. Any and all data not exported by Client to Client's own storage, shall no longer be available to Client following Service's termination. An exception will be made for Clients who renew their subscription within 12 months of termination of their previous subscription.
4. The provision of ongoing technical and support services by ASTERRA are in accordance with the Service Level Agreement ("SLA").



E. FEES & PAYMENT TERMS

1. Annual subscription fee per Package and Service Tier requested by Client (exclusive of Taxes) (“Annual Fee”) and Additional Services as required by Client (“Support Service Fee”) as provided in the table below.
2. Package Name: Prevent Subscription Duration: 12 Months
3. Potable Water lines surveyed: 223 linear miles.
4. Wastewater lines surveyed: 226 linear miles.
5. Table of fees:

ASTERRA Package: Prevent	QTY	Price
Annual Subscription Package	1	\$58,000
Additional Services		
Subcontracted BOTG (5 Days minimum)	3	\$30,000
MasterPlan Pipe Deficiency Map (add on)	1	Included
Final Program Report	1	Included
DFW Area Initiative Discount w/ \$215K+ Participating	1	(\$14,500)
TOTAL		\$73,500

6. Payments by Client shall be made as follows:
 - a. Half of the Annual Subscription Fee and any additional services shall be invoiced by ASTERRA on the Go-Live-Date and the other half on the second delivery.
 - b. Subcontracted Acoustic Leak Detection (BOTG) will be invoiced after the field investigation is completed.
7. Payment is due 30 days from the invoice date.
8. Requests for analysis outside the agreed upon AOI provided by the Client in Annex A may result in additional fees.
9. CSM SERVICES LIST & Service Level Agreement (SLA) is attached hereto as Annex B



ACCEPTANCE OF TERMS

By executing this SOW, you confirm your approval of the SOW on behalf of Client listed below, to be contractually bound by:

1. This SOW; and
2. The Terms of Use and Service Level Agreement incorporated by reference into this SOW.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

Utilis Inc., dba., ASTERRA

City of Burleson, TX

Signed by:

 Signature: _____
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Signature: _____

Name: Gadi Kvarisky

Name: _____

Title: General Manager, Water Division

Title: _____

Date: 12/18/2024

Date: _____



TERMS OF USE

These Terms of Use (the “**Terms**”) is made and entered into as this 7th day of November 2024 (“Effective Date”), by and between Utilis Inc., dba., ASTERRA (the “Company”, “ASTERRA”) a private company having its registered offices at 4180 La Jolla Village Dr., Suite 530, La Jolla, CA 92037, and City of Burleson (“**Client(s)**”, “**you**”) a corporation organized and existing under the laws of Texas with a principle place of business and mailing address at 141 W. Renfro Street, Burleson, TX 76028. Terms of use govern the provision of the services that provide information for leak detection analysis, pipeline monitoring and deficiency assessment, using remote sensing technology (the “**Service(s)**”) operated by **Utilis Israel Ltd., Utilis, Inc., Utilis SAR Ltd or Utilis Japan.**, all trading and doing business as ASTERRA (“**ASTERRA**”). Each of Client and ASTERRA will be referred to as a "party" and together the "parties".

1. **Definitions and Interpretation**

1.1. Capitalized terms not defined herein have the meanings given in the Statement of Work (the “**SOW**”) or the Service Level Agreement (the “**SLA**”), which are hereby incorporated into, and form part of, these Terms (together the “**Agreement**”), unless specifically excluded.

1.2. If there is a conflict between any provision of these Terms, the SOW, the SLA or any other agreement related to the Services, these Terms and the Agreement shall prevail, unless specifically expressed otherwise.

2. **License Grant**

2.1 Subject to the Terms, Client requests and ASTERRA grants, a nonexclusive, non-transferable, non-sublicensable, limited access license, to use the portal environment, applicable licenses, analytics, reports and data that can be used in client’s GIS systems (the “**Platform**”) during the Term, solely in accordance with the Terms herein, for Client’s internal business purposes only.

2.2 Services, additional services, and/or licenses shall be issued in separate SOWs, in the form attached hereto as Statement of Work, signed by both parties, numbered sequentially (SOW1, SOW2, etc.), all attached to and governed by these Terms.

3. **ASTERRA Limited Warranties**

ASTERRA warrants and undertakes that:

3.1. it will provide the Services using the degree of skill, care, and diligence which would reasonably and ordinarily be expected from a skilled and experienced provider of the Services (or of services materially similar to the Services);

3.2. each member or individual involved in the provision of the Services shall be suitably qualified, adequately trained and competent to provide the relevant part of the Services in respect of which they are engaged.

3.3. the Services, when used in the manner envisaged by this Agreement, do not, to the best of ASTERRA’s knowledge, infringe the intellectual property rights of any third party.



3.5. ASTERRA shall not be liable for any material delay or failure to provide the Services to the extent that such material delay or failure is caused by Client's failure to comply with the Agreement, including but not limited to, the following obligations:

- a. provision of data as agreed between the Parties and set out in the SOW – to be made ready on or before any agreed date of provision.
- b. failure by Client to make available personnel, Information, or to provide site physical access, as reasonably required for the performance of the Services.
- c. a failure by Client to make available adequate infrastructure to install, activate and use of the Service (such as: Client's systems and devices) to support the provision of the Services.

3.6 The Services hereunder are provided on an "AS IS" basis. Except for the above express warranty, ASTERRA makes no other warranties, express or implied, relating to the Services. ASTERRA does not represent or warrant that the Services shall be uninterrupted or error-free. ASTERRA disclaims and excludes any implied warranties of non-infringement, merchantability and/or fitness for a particular purpose.

4. **Payment Terms**

4.1 In consideration of the Service, Client will pay all invoices issued under this Agreement in accordance with stated payment terms on the relevant SOW. Any invoice that has not been paid within such period of time shall bear interest at the rate of 1% per month or any part of a month. Client is responsible for any applicable tax, duty,

or tariff (except with respect to ASTERRA's income), and all reasonable costs of shipment.

4.2 All Customer's payment obligations to ASTERRA are non-cancelable and paid fees are non-refundable. Client is responsible for paying all fees applicable to its subscription to the Service, whether or not it actively used, accessed or otherwise benefited from the Service. Unless stated differently in the SOW, fees are exclusive of any sales tax, VAT, withholding tax or other governmental charges or transaction charges. Where applicable, ASTERRA will provide the Client its tax certificates and Client shall withhold taxes from payments due as per such certificates.

5. **Technical Support**

5.1. During the Term, ASTERRA, either directly or with the assistance of third parties, will provide Client technical support for technical issues regarding the Services, in accordance with the SLA terms. For the purpose of the provision of technical support for the Client's technical questions, problems and inquiries, Client will cooperate, and work closely with ASTERRA, to reproduce malfunctions, including conducting diagnostic or troubleshooting activities, as ASTERRA reasonably requests.

ASTERRA may suspend the Services for planned maintenance work ("**Planned Maintenance**") or for rectifying critical outages ("**Unplanned Maintenance**"). In relation to Planned Maintenance, ASTERRA shall provide Client at least 14 calendar days' prior notice stating the scope, time, and duration of the Planned Maintenance. In relation to Unplanned Maintenance, ASTERRA shall endeavor to



provide Client with such advance notice as is reasonably practicable in the circumstances.

6. Privacy

As part of the Services, you may be granted a certain number of U-Collect, U-View and ASTERRA's Dashboard Licenses. The applicable terms of use and privacy policy are detailed in <https://ASTERRA.io/privacy-policy-portal-application/>

7. Confidentiality

Each party ("**Recipient**") agrees to: (a) keep all Confidential Information (as defined below) confidential; (b) not without the other party's ("**Discloser**") prior written consent to disclose any Confidential Information to any other person save those of its personnel who have a need to know the same in connection with this Agreement and its performance of this Agreement; (c) to use the Confidential Information solely in connection with this Agreement and the performance of its obligations hereunder and not otherwise for its own benefit or for the benefit of any third party. "Confidential Information" means all data, material, and information of a confidential nature in any form whatsoever disclosed (whether directly or indirectly) by or on behalf of the Discloser to Recipient, including: (a) the contents of and negotiations in relation to this Agreement; (b) the identity and business, financial and/or technical affairs of that party's business contacts, including Clients, agents, distributors and licensees; (c) any information that Recipient obtains or receives as a result of

discussions leading up to the signature of this Agreement or subsequent performance of this Agreement; (d) any information obtained or observed as a result of any site visit; (e) all financial information of Discloser; (f) all data provided to Recipient by or on behalf of the Discloser in connection with the Services. Confidential Information does not include information: (a) disclosed as a requirement of law or any regulatory body to whose rule Recipient is subject provided that Recipient, if legally permissible, gives Discloser prompt written notice of such requirement prior to such disclosure and only discloses that portion of the Confidential Information that is legally required; (b) known to Recipient prior to the commencement of this Agreement otherwise than as a result of being obtained directly or indirectly from the Discloser; (c) obtained from a third party who lawfully possessed such Confidential Information and which has not been obtained in a breach of a duty of confidence owed to the Discloser; (d) developed independently by Recipient without the use of Discloser's Confidential Information or (e) in the public domain other than as a result of a breach of a duty of confidence owed to the Discloser. Upon request of Discloser or upon the expiry or termination of this Agreement, Recipient shall delete and destroy any Discloser's Confidential Information then in its possession or control. Recipient acknowledges that remedies at law may be inadequate to provide Discloser with full compensation in the event of a material breach of any confidentiality and nondisclosure obligations herein without bond or other security obligation, to seek injunctive relief in the event of any such breach.



8. Client Data; Client Feedback

8.1 Client acknowledges and agrees that ASTERRA will handle and use (by itself or by using trusted third-party service providers) the data that the Client feeds to the Platform (or that ASTERRA feeds to the Platform on Client's behalf) ("**Client Data**") and the data and output generated by the Platform when used by the Client, as follows:

- (a) To provide the Services to the Client, conduct administrative and technical activities necessary to maintain and provide the Services and to improve and customize the Services;
- (b) To conduct analysis or generate metrics related to the Services;
- (c) For commercial and marketing purposes, publication of case studies and white papers regarding the Services itself (only in a form not identifying the Client and not disclosing any Client-specific output generate by the Platform unless specifically approved by the client);
- (d) To bill and collect fees (if applicable), to enforce this Agreement, and to take any action in any case of dispute or legal proceeding of any kind involving the Client with respect to this Agreement;
- (e) To prevent fraud, misappropriation, infringements, and other illegal activities and misuse of the Services;
- (f) To develop new products, features, and services, and for research and testing, provided that no information identifying the Client is publicly shared without prior authorization from the Client.

The Client will not be entitled to any remuneration from ASTERRA for the foregoing uses.

8.2 ASTERRA may, but are under no duty to, review Client Data made available through the Service. We may, in our sole discretion, temporarily or permanently delete or block access Service, if we find that it violates these Terms or for any other reason

8.3 Client may provide ASTERRA with information or content concerning enhancements, changes, or additions to the Service or other Company offerings, that are requested, desired or suggested by the Client or users on its behalf, including information pertaining to bugs, errors and malfunctions of the Service, performance of the Service, content and accuracy of the Service, the Service's compatibility and interoperability, and information or content concerning enhancements, changes or additions to the Service that Client requests, desires or suggests ("**Feedback**"). Client hereby assigns, without charge, all right, title and interest in and to the Feedback to ASTERRA, including the right to make commercial use thereof, for any purpose ASTERRA deems appropriate.

9. Intellectual Property

9.1 All rights, title and interest in and to the Service, Platform and the Service's software, including, without limitation, patents, copyrights, trademarks, trade names, service marks, trade secrets and other intellectual property rights, and any goodwill associated therewith, including computer code, graphic design, layout and the



user interfaces of the Service, whether or not based on or resulting from Feedback, are and will remain at all times owned by ASTERRA, or licensed to ASTERRA.

All rights in and to the Service or Platform that are not expressly granted to Client in this Agreement are hereby reserved by ASTERRA.

9.2 Except for Client's limited access to use the Service during the Term, this Agreement does not grant or assigns to Client, any other license, right, title, or interest in or to the Service or Platform, or the intellectual property rights associated with them.

9.3 Client acknowledges and agrees solely in connection with Client's provision of the Service, ASTERRA is hereby granted a limited, revocable, nonexclusive, internal, and royalty-free license, solely during the Term to access, host and maintain Client Data for the strict limited purposes of delivering the Service to Client and supporting Client's use of the Service as described herein.

10. Disclaimer; Limitation of Liability; Indemnification

10.1 The Services, as set forth in this Agreement, include the provision of information and investigative output based on the technology developed by ASTERRA, and subsequent analyses, recommendations, evaluations, ranking reports, and guidance on best practices based on the foregoing. By their nature, the Services provided are solely decision making and support tools acquired by Client. Any and all acts, omissions decisions and performance by Client based on the Services provided to Client under

this Agreement, are the sole responsibility of Client and such activity does not form any part of the Services. By signing the Agreement Client signals its understanding of the scope of the Services. The contract is with Utilis Israel Ltd., Utilis, Inc., Utilis SAR Ltd and Utilis Japan, as applicable, also doing business as ASTERRA.

10.2 LIMITATION OF LIABILITY. IN THE EVENT THAT, NOTWITHSTANDING THE TERMS ABOVE, ASTERRA IS FOUND LIABLE FOR DAMAGES OF ANY KIND BASED ON ANY THEORY OF LIABILITY (INCLUDING LIABILITY FOR NEGLIGENCE) CONNECTED AND/OR RELATED TO THE SERVICES COVERED BY THIS AGREEMENT, ASTERRA'S TOTAL AND AGGREGATE LIABILITY FOR SUCH DAMAGES SHALL NOT EXCEED THE PAYMENTS MADE BY CLIENT TO ASTERRA IN THE TWELVE MONTHS PRECEDING THE EVENT PURPORTEDLY GIVING RISE TO THE CLAIM.

10.3 EXCLUSION OF CONSEQUENTIAL DAMAGES. ASTERRA SHALL NOT BE LIABLE TOWARD CLIENT, OR ANY OTHER THIRD PARTY FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, ANY DAMAGE OR INJURY TO BUSINESS EARNINGS, LOSS OF DATA, LOST PROFITS OR GOODWILL AND/OR PERSONAL INJURY, SUFFERED BY ANY PERSON ARISING FROM AND/OR RELATED WITH AND/OR CONNECTED TO THE SERVICES COVERED BY THIS AGREEMENT, WHETHER BASED ON A CLAIM OR ACTION OF CONTRACT, TORT, OR OTHERWISE, (INCLUDING NEGLIGENCE) EVEN IF ASTERRA IS ADVISED OF OR SHOULD HAVE BEEN AWARE OF THE POSSIBILITY OF SUCH DAMAGES.

10.4 INDEMNIFICATION



10.4.1 Indemnification by ASTERRA.

Subject to this Agreement and without derogating from the foregoing, ASTERRA shall defend and indemnify Client and its respective directors, officers, employees, consultants, successors and assigns (collectively “**Client Indemnatee**”) from and against any claim by a third party alleging that the use of the Service as contemplated under this Agreement, infringes a third party’s patent, copyright, trade secret or other intellectual property rights which are enforceable in the jurisdictions in which the Client’s support teams operate. Notwithstanding the foregoing, ASTERRA shall have no liability or obligation to Client Indemnitees with respect to any claim for infringement relating to: (1) Client’s use of the Service in combination with other products not provided or endorsed by ASTERRA; (2) modifications or alterations of the Service which are not performed by ASTERRA or with its permission; (3) a breach or alleged breach by Client of its representations, under the Agreement; in any case of (1) – (3) above, only to the extent that the Service would not be infringing in the absence of such circumstances.

10.4.2 Indemnification by Client.

Client shall defend, indemnify and hold harmless ASTERRA and its directors, officers, employees, and subcontractors (collectively “**ASTERRA Indemnatee**”), upon ASTERRA’s request and at Client’s expense, from, and against, any damages, liabilities, loss, costs, expenses and payments, including, but not limited to, reasonable attorney’s fees and legal expenses, arising out of any claim, suit, action, arbitration or proceeding brought against ASTERRA Indemnatee, relating to: (a) a breach or alleged breach by Client of any of its representations, warranties, covenants or obligations hereunder; (b) infringement or misappropriation of any

intellectual property rights by Client; (c) any negligence or willful misconduct of Client or its users or other representatives; or (d) any claims in connection with the Client Data. To the extent that the Client is a governmental body, and not withstanding Section 10.4.3 below, the above Indemnity obligation will be subject to such additional conditions that apply to Client under the applicable law.

10.4.3 The indemnified party shall promptly notify the indemnifying party in writing of any claim for which it seeks indemnification hereunder; provided that the failure to provide such notice shall not relieve the indemnifying party of its indemnification obligations hereunder except to the extent of any material prejudice directly resulting from such failure. The indemnifying party shall bear full responsibility for, and shall have the right to solely control, the defense (including any settlements) of any such claim; provided, however, that (a) the indemnifying party shall keep the indemnified party informed of, and consult with the indemnified party in connection with the progress of such litigation or settlement and (b) the indemnifying party shall not have any right, without the indemnified party’s written consent (which consent shall not be unreasonably withheld), to settle any such claim in a manner that does not unconditionally release the indemnified party. At the indemnifying party’s request, the indemnified party will provide reasonable cooperation with respect to any defense or settlement.

11. Term and Termination

11.1 Unless otherwise specified in the applicable SOW, this Agreement commences upon the



Client's date of signature herein or acceptance date by Client, as applicable. The Service shall commence on the date on which the relevant Service is 'live', being the first date on which the Client or the first of the Client's users is granted access to the Platform's data, upon a notice by ASTERRA to Client ("**Go – Live- Date**") and will continue for a period of twelve (12) months thereafter ("**Initial Term**"), at which point the subscription will automatically renew for an additional twelve (12) months period ("**Renewal Term**") (Initial Term and Renewal Term, collectively, the "**Term**"), if not otherwise terminated earlier pursuant to this section 11 or if a Party has given a notice of non-renewal at least sixty (60) days prior to the end of the initial Term or Renewal Term.

11.2 Notwithstanding the foregoing, either party may terminate for a material breach by the other party unremedied for thirty (30) consecutive days after written notice thereof, at any time.

11.3 Either party may immediately terminate this Agreement if (A) any proceeding is commenced in good faith against the other party for any relief under any bankruptcy or insolvency law, or any law relating to the relief of debtors, readjustment of indebtedness, reorganization, arrangement, composition, or extension of debts; (B) the other party commences proceedings for any relief under any bankruptcy or insolvency law, or any law relating to the relief of debtors, readjustment of indebtedness, reorganization, arrangement, composition, or extension of debts; (C) there is issued a decree or order of a court having jurisdiction for the appointment of a receiver, liquidator, or trustee or assignee in bankruptcy or insolvency of the other party or of a substantial part of the other party's property, or for the

winding up or liquidation of the other party's affairs; or (D) there is a general assignment by the other party for the benefit of creditors or the admission by the other party in writing of its inability to pay its debts generally as they become due.

11.4 Upon expiration or termination of this Agreement for any reason: (i) Client will not be able to access the Services and/or the data stored within the Platform, the Platform, ASTERRA's support and any other software or data related to the Service. Any and all data not exported by Client to Client's own storage, shall no longer be available to Client afterward; and payment obligations of Client for Services provided through the date of termination will immediately become due. Client data will be accessible to a returning Client if they renew their subscription within 12 months of termination of their previous subscription

11.5 Upon expiration or termination of this Agreement and in any event, upon ASTERRA's written request, Client shall return any and all Confidential Information including, but not limited to ASTERRA training materials, and any and all materials incorporating ASTERRA's Confidential Information and all copies and derivatives thereof.

11.6 Sections 3-10, 11.4-11.6, 12 and 13 shall survive any termination or expiration of the Agreement for any reason.

12. **Governing Law**

The parties exclusively submit to the (i) governing law of Delaware or, (ii) solely if the laws that apply to the client prohibit the application of the



law of Delaware – the law of Client’s principal place of business, and the exclusive jurisdiction and venue of the courts of (i) the City of Wilmington, Delaware, or (ii) if the laws apply to Client prohibit the jurisdiction of the Delaware Courts – the competent courts of the Client’s principal place of business. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods shall not apply in any respect to this Agreement or the parties. Client shall comply with all applicable (including, all U.S. and applicable foreign) laws and administrative regulations relating to the control of exports of commodities and technical and/or personal data, and all laws directly or indirectly applicable to its activities hereunder or otherwise pursuant to or in connection with this Agreement, the Licenses or use of any software, and the provision of any Services and/or support.

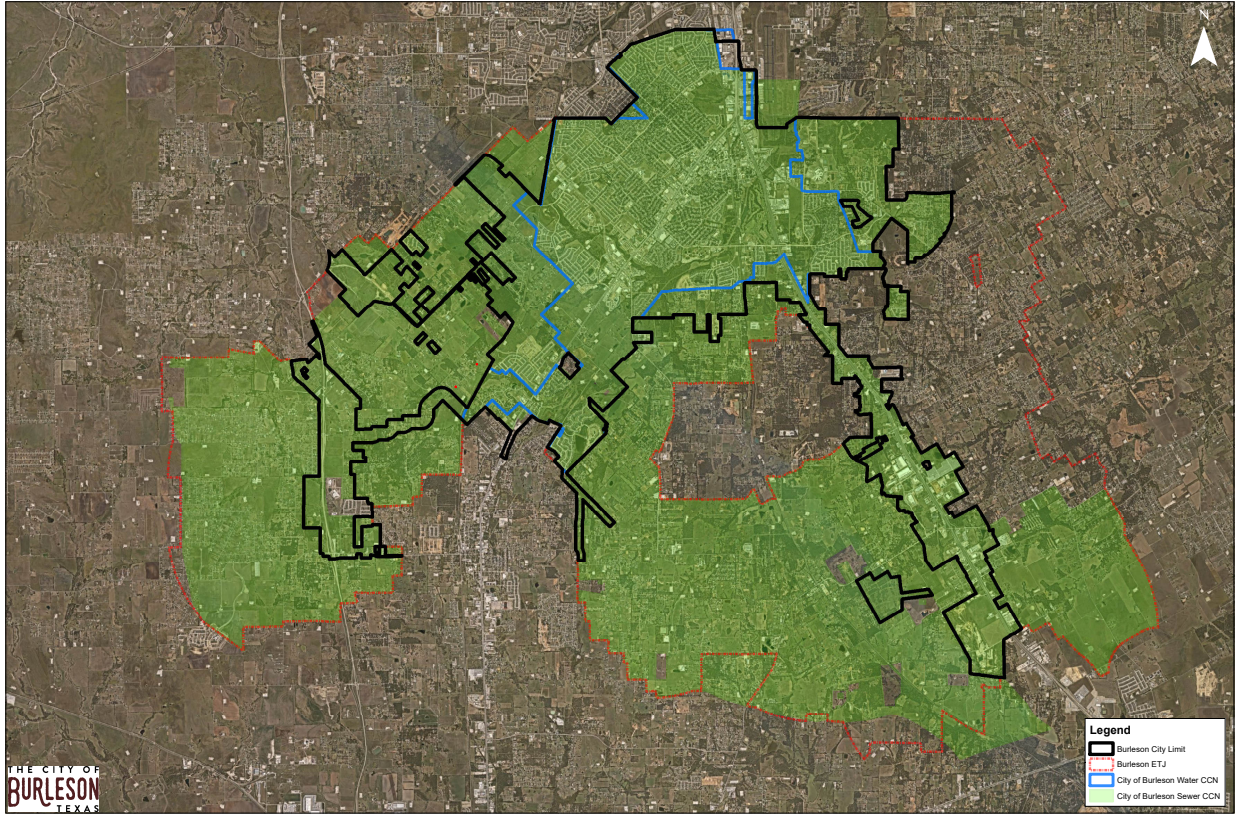
13. **Miscellaneous**

This Agreement may be amended by an authorized representative of each party in a duly executed written document referencing this Agreement and expressing the intent of each party to amend this Agreement. If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall remain in full force and effect, and this Agreement shall be deemed amended to replace, to the extent legally permitted, the rights and obligations contained in such invalid or unenforceable provision. The invalidity or unenforceability of any provision shall not constitute a failure of consideration hereunder. Any failure or delay in exercising, or any single or partial exercise of, any right or remedy by either party hereto shall not be deemed a waiver of any further, prior, or future right or remedy

hereunder, including the right of such party at any time to seek such remedies as may be available for any breach or breaches of such term or condition. Nothing in this Agreement shall make either party the agent of the other for any purposes whatsoever. Except to the extent such rights cannot be restricted by applicable law, neither party may assign, sublicense, or transfer this Agreement without the prior written consent of the other party, and any such attempt by a party to sublicense, assign or transfer any rights, duties, or obligations hereunder is null and void and subject to the other party’s right to immediately terminate this Agreement. Notwithstanding the above, ASTERRA may assign, sublicense, or transfer this Agreement to an affiliate of ASTERRA or in connection with the merger, acquisition, or sale of all or substantially all of the assets of ASTERRA relating to this Agreement. This Agreement entered into between the parties on or around the date of this Agreement, together with the signed SOW constitute the entire agreement and understanding of the parties relating to the subject matter hereof, superseding all prior or contemporaneous agreements, representations, promises, and understandings, whether written, electronic, oral or otherwise and any additional or conflicting terms contained in any other document (including, without limitation, any pre-printed, additional or conflicting terms on any Client purchase order, or acknowledgment from either party) shall be null, void and of no effect on either party.



ANNEX A – AREA OF INTEREST





ANNEX B - CSM SERVICES DESCRIPTION LIST AND SLA

Tier: Prevent

Standard Features:

- **System-Wide Advanced Temporal and Spatial Leak Analysis** - ASTERRA will provide the customer with a system-wide analysis of those locations identified as having a high probability of subsurface leakage using advanced temporal (data collected across time) and spatial (data collected across space) analysis.
- **Leak Location List with Prioritization** - Each customer will receive a list of potential leaks (Points of Interest, POI's) for leak detection investigation based on SAR algorithm results and machine learning.
- **Customer Portal and Performance Dashboard (4 Licenses)** - Licenses for access to EO Discover, ASTERRA's Customer Portal and Performance Dashboard for tracking leak investigation results over the course of the subscription period.
- **U-Collect Software & U-View Software (4 Licenses)** - Access to field investigation input and viewing software.
- **On-Line Customer Support**
- **Customer Success Plan** - ASTERRA will provide each customer with a customized execution and success plan that will be reviewed and updated over the course of the subscription period.
- **Best Practice Tutorials (On-Line)** - ASTERRA will provide on-line tutorials which cover training and troubleshooting for the customer portal, U-Collect and U-View applications.

Additional Services available to the customer include:

Pipe Deficiency Map (MasterPlan) – ASTERRA's MasterPlan analysis uses a proprietary algorithm to score utility pipe segments exhibiting non-surfacing leaks and analyzes leak clusters over time. The pipes are scored on a 1 – 5 scale, from a low level of deficiency observed to high levels of deficiency. Planning priorities and response can be established accordingly. MasterPlan pipe deficiency available for Detect and Prevent subscription levels only.

Final Program Report – ASTERRA will provide a cost benefit report summarizing program progress, estimated water saved and impact of project on utility non-revenue water savings. Report is provided in PDF format.

Subcontracted Leak Detection Services - ASTERRA will provide the services of a preferred leak detection vendor subcontracted for 5-days/40-hour leak detection period. Following ASTERRA's best practices, identified leak locations will be investigated to pinpoint water loss. The schedule will be coordinated with the vendor and utility by ASTERRA Customer Success Manager.



Service Level Agreement (SLA)

This Service Level Agreement (“SLA”) is provided in connection with the Terms of Use governing the use of the ASTERRA’s Services and proprietary Platform (the “Software”). ASTERRA will endeavor to quickly respond to Software support requests and reported Software errors, bugs, or malfunctions (each, an “Inquiry”), and provide a solution to your Inquiry, as set forth in this SLA. Capitalized terms not defined herein shall have the respective meanings as set forth in the Terms of Use.

ASTERRA’s handling and resolution of Inquiries is subject to the following procedure and processes:

1. Inquiries shall be submitted to ASTERRA’s helpdesk by e-mail (csm@ASTERRA.io), or via the Client’s portal help feature, during ASTERRA’s standard business hours (9:00am to 5PM).
2. When ASTERRA receives notice of an Inquiry from you, along with all pertinent information at your disposal, regarding the Inquiry, ASTERRA will record the time in which the notification was received, during ASTERRA’s business hours indicated above (if the Inquiry is received by ASTERRA outside of its business hours, the Inquiry receipt time will be recorded as 9:00 am on ASTERRA’s next business day - the “Opening Time”).
3. Upon receiving an Inquiry, ASTERRA, using its reasonable judgment, will classify the Inquiry’s severity level as Critical, High, Medium, or Low, in accordance with the following guidelines:
 - a. Critical – Complete failure of the Software.
 - b. High – Significant fault in one or more of the primary functionalities of the Software.
 - c. Medium – Features of the Software are partially malfunctioning.
 - d. Low – Minor error or malfunction in the Software.
4. “Response” is ASTERRA’s provision of a preliminary, interim resolution or workaround for the Inquiry, partially alleviating the symptoms reported in the Inquiry. ASTERRA’s response will be in writing via email or via phone contact from the Client’s assigned Customer Success Manager.
5. “Final Resolution” is ASTERRA’s provision of a permanent and full resolution to the Inquiry.

ASTERRA will endeavor, using commercial efforts, to respond to Inquiries as set forth below and to provide a Final Resolution. Response Times are specified in relation to the Opening Time, as recorded in ASTERRA’s logs, as follows:

Priority	ASTERRA’s availability to commence handling the Inquiry	Response Time after Opening Time
Critical	ASTERRA’s business hours	8 hours
High	ASTERRA’s business hours	32 hours
Medium	ASTERRA’s business hours	3 business days
Low	ASTERRA’s business hours	2 business weeks

City of Burleson
Addendum to Vendor's Contract
Additional Provisions

UTILIS INC., DBA., ASTERRA

4180 LA JOLLA VILLAGE DRIVE, SUITE 530, LA JOLLA, CA 92037

The City of Burleson, Texas ("City") and the Vendor are this day entering into a contract for and, for the mutual convenience, the parties are using the standard contract and/or purchase order form provided by Vendor (the "Vendor's Contract Form").

This Addendum ("Addendum"), duly executed by the parties, is incorporated into the Vendor's Contract Form and made an integral part thereof. This Addendum and the Vendor's Contract Form shall be referenced to hereafter collectively as the "Agreement".

In the event of a conflict between any provision in this Addendum and any other provision in the Agreement or any other exhibit to the Agreement, the terms provided in this Addendum shall govern and control.

Additional Provisions

1. Limitation of Vendor's Contract Form. The Vendor's Contract Form is, with the exceptions noted herein, generally acceptable to City. Nonetheless, because certain standard clauses that may appear in the Vendor's Contract Form cannot be accepted by City, because of its status as a political subdivision of the State of Texas, and in consideration for the convenience of using provisions in the Vendor's Contract Form instead of negotiating a separate contract document, the parties agree that none of the provisions listed below, if they appear in the Vendor's Contract Form, shall have any effect or be enforceable against City:
 - i. Requiring City to maintain any type of insurance either for City's benefit or for the Vendor's benefit.
 - ii. Renewing or extending the Agreement beyond the contract term or automatically continuing the contract period from term to term.
 - iii. Requiring or stating the terms of the Vendor's Contract Form shall prevail over the terms of this Addendum in the event of conflict.
 - iv. Requiring the application of the law of any state other than Texas in interpreting or enforcing the Agreement, or resolving any dispute under the Agreement. The Agreement and the obligations of the parties shall be construed and enforced in accordance with the laws of the State of Texas.
 - v. Releasing the Vendor or any other entity or person from its legal liability, or limiting liability, for unlawful or negligent conduct or failure to comply with any duty recognized or imposed by applicable law.
 - vi. Requiring any total or partial compensation or payment for lost profit or liquidated damages by City if the Agreement is terminated before the end of the contract term.
 - vii. Changing the time period within which claims can be made or actions can be brought under the laws of the State of Texas.
 - viii. Binding City to any arbitration provision or to the decision of any arbitration board, commission, panel or other entity.

- ix. Obligating City to pay costs of collection or attorneys' fees.
 - x. Requiring City to provide warranties.
 - xi. Obligating City to indemnify, defend or hold harmless any party.
 - xii. Granting a security interest in City's property or placing a lien on City's property.
2. Payment Terms. Payment will be made upon submittal and approval of a valid invoice. City shall make payment in accordance with Chapter 2251 of the Texas Government Code. It is the policy of the City to make payment on a properly prepared and submitted invoice within thirty (30) days of the latter of any final acceptance of performance or the receipt of a properly submitted invoice.
 3. Applicable Law; Venue. This Agreement is subject to and governed by the laws of the State of Texas. Any disputes arising from or relating to this Agreement shall be resolved in a court of competent jurisdiction located in Johnson County, Texas, or the federal courts for the United States for the Northern District of Texas. The parties hereto irrevocably waive any right to object to the jurisdiction of such courts in any dispute arising from or relating to this Agreement.
 4. Tax Exempt Status. As a political subdivision of the State of Texas, City is tax exempt in the State of Texas. Tax exemption certification will be furnished upon request.
 5. Termination Due to Lack of Appropriations. If City should not appropriate or otherwise receive funds sufficient to purchase, lease, operate, or maintain the equipment or services set forth in this Agreement, City may unilaterally terminate this Agreement effective on the final day of the fiscal year through which City has funding. City will make every effort to give Vendor at least thirty (30) days written notice prior to a termination for lack of appropriations. In the event of termination due to a lack of appropriations, City will pay Vendor for all undisputed fees and expenses related to the equipment and/or services City has received, or Vendor has incurred or delivered, prior to the effective date of termination.
 6. No Waiver of Governmental Immunity. The Vendor expressly acknowledges City is a political subdivision of the State of Texas and nothing in the Agreement will be construed as a waiver or relinquishment by City of its right to claim such exemptions, privileges, and immunities as may be provided by law. Neither the execution of the Agreement by City nor any other conduct, action, or inaction of any representative of City relating to the Agreement constitutes or is intended to constitute a waiver of City's sovereign immunity to suit.
 7. Public Information. Vendor acknowledges that City is obligated to strictly comply with the Public Information Act, Chapter 552, Texas Government Code, in responding to any request for public information pertaining to this Agreement, as well as any other disclosure of information required by applicable Texas law. The City's compliance with the Texas Public Information Act shall not violate the Agreement. Upon City's written request, Vendor will promptly provide specified contracting information exchanged or created under this Agreement for or on behalf of City. The requirements of Subchapter J, Chapter 552, Texas Government Code, may apply to this Agreement and the Vendor agrees that the Agreement can be terminated if the Vendor knowingly or intentionally fails to comply with a requirement of that subchapter.

8. Entire Agreement. This Agreement constitutes the entire agreement between the parties and may not be waived or modified except by a written agreement signed by the parties.
9. Savings Clause. If a court of competent jurisdiction finds any provision of this Agreement illegal, ineffective or beyond contractual authority of either party, then the offending provision will be stricken and the remainder of the agreement between the parties will remain in effect.
10. Conflicts Of Interest. By executing this Agreement, Vendor and each person signing on behalf of Vendor certifies, and in the case of a sole proprietorship, partnership or corporation, each party thereto certifies as to its own organization, that to the best of their knowledge and belief, no member of City Council, city manager, deputy city manager, city secretary, department heads, or deputy department heads of the City has direct or indirect financial interest in the award of this Agreement, or in the services to which this Agreement relates, or in any of the profits, real or potential, thereof, in violation of Section 132 of the Home Rule Charter of the City.
11. Anti-Boycotting Provisions. Vendor acknowledges this Agreement may be terminated and payment withheld if this certification is inaccurate.
 - i. Pursuant to Section 2271.002 of the Texas Government Code, Vendor certifies that either (i) it meets an exemption criterion under Section 2271.002; or (ii) it does not boycott Israel and will not boycott Israel during the term of the Agreement. Vendor acknowledges this Agreement may be terminated and payment withheld if this certification is inaccurate.
 - ii. Pursuant to SB 13, 87th Texas Legislature, Vendor certifies that either (i) it meets an exemption criterion under SB 13, 87th Texas Legislature; or (ii) it does not boycott energy companies, as defined in Section 1 of SB 13, 87th Texas Legislature, and will not boycott energy companies during the term of the Agreement. Vendor acknowledges this Agreement may be terminated and payment withheld if this certification is inaccurate.
 - iii. Pursuant to SB 19, 87th Texas Legislature, Vendor certifies that either (i) it meets an exemption criterion under SB 19, 87th Texas Legislature; or (ii) it does not discriminate against a firearm entity or firearm trade association, as defined in Section 1 of SB 19, 87th Texas Legislature, and will not discriminate against a firearm entity or firearm trade association during the term of the Agreement. Vendor acknowledges this Agreement may be terminated and payment withheld if this certification is inaccurate.
12. Vendor Certification Regarding Business With Certain Countries And Organizations. Pursuant to Subchapter F, Chapter 2252, Texas Government Code, Vendor certifies Vendor (1) is not engaged in business with Iran, Sudan, or a foreign terrorist organization. Vendor acknowledges this Agreement may be terminated and payment withheld if this certification is inaccurate.
13. Relationship of the Parties. The parties agree that in performing their responsibilities under this Agreement, they are in the position of independent contractors. This Agreement is not intended to create, does not create, and shall not be construed to create a relationship of employer-employee. Vendor, Vendor's employees, and anyone else working at Vendor's direction is an independent contractor and not an employee or servant of the City. Nothing in this Agreement is intended to or shall be construed in any manner as creating or establishing the relationship of employer-employee between Vendor, Vendor's employees, and anyone else

working at Vendor’s direction. Vendor, Vendor’s employees, and anyone else working at Vendor’s direction shall at all times remain an independent contractor with respect to the service to be performed under this Agreement.

- 14. Survival. The terms of this Addendum shall survive any closing or termination of the Agreement.
- 15. No Indemnification by City. The Parties expressly acknowledge that the City’s authority to indemnify and hold harmless any third party is governed by Article XI, Section 7 of the Texas Constitution, and any provision that purports to require indemnification by the City is invalid. Nothing in this Agreement requires that the City incur debt, assess, or collect funds, or create a sinking fund.
- 16. Conflict. In the event of a conflict between any provision in this Addendum and any other provision in the Agreement or any other exhibit to the Agreement, the terms provided in this Addendum shall govern and control.
- 17. Counterparts; PDF Signatures. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any pdf-format or other electronic transmission of any signature of a signatory shall be deemed an original and shall bind such signatory.

IN WITNESS WHEREOF, the parties have caused this Addendum to be duly executed, intending thereby to be legally bound.

City of Burleson, Texas:

Utilis Inc. DBA., ASTEERA

By: _____

Signed by:
By: Gadi Kvarsky
26F0F00EE8F8419...

Name: _____

Gadi Kvarsky
Name: _____

Title: _____

General Manager, Water Division
Title: _____

Date: _____

12/18/2024
Date: _____



ASTERRA

4180 La Jolla Village Drive – Suite 530 | La Jolla, CA 92037

November 15th, 2024

Attn: Errick Thompson

City of Burleson

141 W. Renfro Street

Burleson, TX 76028

To Whom It May Concern:

This letter is regarding ASTERRA and the **sole source provider status** for City of Burleson sensing water leak survey project. This letter is to confirm that the ASTERRA data analysis for identifying possible potable water leaks in water distribution systems is a sole source product, manufactured and sold by ASTERRA. No division of ASTERRA, nor any other company, makes a similar or competing product.

ASTERRA developed a unique and patented algorithm for leaks detection in urban freshwater distribution networks. ASTERRA uses spectral aerial imaging, taken from a satellite mounted sensor, using the L band microwave wavelength, to spot leakage in subterranean drinking water networks. Drinking water is detected, by looking for the particular spectral signature typical to drinking water.

ASTERRA analysis identifies the leaks within a search distance from the actual leak. The search distance is defined by a "Dynamic buffer", which is calculated specifically according to physical properties of the analyzed area and technical components of the satellite. For every new analysis, the size of the dynamic buffer is specifically calculated. The polygon area size varies for each analysis.

Additionally, **competition is precluded by the existence of patent:** Utilis' algorithm and process are patented US 9285475 Mar, 15 2016 SYSTEM AND METHOD OF UNDERGROUND WATER DETECTION assigned to Utilis (DBA ASTERRA).

If you desire additional information, don't hesitate to contact us at 1-858-382-7066 at any time or visit our website at www.asterra.io

A handwritten signature in black ink, appearing to read "James D. Perry", followed by a horizontal line.

Sincerely,
James D. Perry
Executive Vice President