PUBLIC SERVICE BOARD MEETING
AGENDA ITEM
REGULAR MEETING

Wednesday, November 12, 2025

SUBJECT

Pure Technologies U.S. Inc. (Pure) Leak Detection, Condition Assessment, and Electromagnetic Inspections Sole Source Services Agreement

BACKGROUND

EPWater budgets an annual amount for the condition assessment of aging transmission mains. This assessment identifies the prioritization of rehabilitation of the aging transmission mains. Pure is the sole service provider of various leak and condition assessment technologies protected by patents:

- Anomaly detector for pipelines (untethered, unpowered, rollable device to sense condition of pipeline wall)
- Electromagnetic analysis of concrete tensioning wires
- Method and apparatus to detect flaws in metallic pipe
- Deployment of equipment into fluid containers and conduits
- Fiber optic sensor method and apparatus

PRIOR PSB ACTION

• On November 9, 2022, the Public Service Board approved a sole source services agreement with Pure Technologies U.S. Inc. for electromagnetic condition assessment of transmission mains for an estimated annual amount of $3,500,000 for the term of one year with the option for two one-year extension.

UTILITY KPI ALIGNMENT

Improve Infrastructure

EVALUATION PROCESS

Pure is the sole source company for pipeline inspection platforms using their patented technology. This technology is proprietary and is integral to their intellectual property portfolio. Pure has provided reliable services to the utility since 2015 for the assessment of transmission mains.

FINANCIAL IMPLICATIONS

Sufficient funds are available in various accounts. This expenditure is part of the FY2025-26 budget.

PROPOSED ACTION REQUESTED

Consider and approve a sole source services agreement with Pure Technologies U.S. Inc., pursuant to Section 252.022(a)(7)(A) of the Texas Local Government Code, to conduct leak detection, condition assessment and electromagnetic inspections of transmission mains for an estimated annual amount of $2,500,000 for a term of one year with two one-year options to extend, contingent upon the vendor providing annual documentation attesting to their sole source status.

SUPPORTING DOCUMENTATION PROVIDED

- Sole Source Affidavit
- Sole Source Letter

EL PASO WATER UTILITIES PUBLIC SERVICE BOARD

SOLE SOURCE AFFIDAVIT

Before me, the undersigned official, on this day, personally appeared a person known to me to be the person whose signature appears below, whom after being duly sworn upon his/her oath deposed and said:
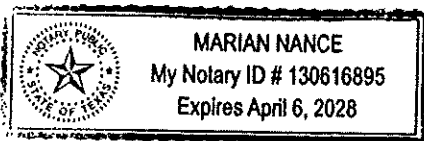
1. My name is Mike Garaci _____ . I am over the age of 18, have never been of a convicted crime and am competent to make this affidavit.

2. I am an authorized representative of the following company or firm: Pure Technologies U.S. Inc.

3. The above named company or firm is the sole source for the following item(s), product(s) or service(s):
   SmartBall®, PureEM®, PipeWalker, PipeDiver,PureRobotics Platform, Electromagnetic Analysis of Concrete Tensioning Wires
   PipeDiver® Ultra, Sahara®, SountPrint AFO®, Fibre Optic Sensor Method and Apparatus

4. Competition in providing the above named item(s) product(s), service(s) is precluded by the existence of a patent, copyright, secret process or monopoly as stated under Section 252.022, Subchapter A of the Local Governmental Code 7A or as provided for under 7B-F of the same section. Also, attached hereto is a sole source letter, which sets forth the reasons why this Vendor is a sole source provider (dated and signed).

5. There is/are no other like item(s) or product(s) available for purchase that would serve the same purpose or function.

6. **Note: This Vendor understands that by providing false information on this Sole Source Affidavit, it may be considered a non-responsible Vendor on this and future purchases and may result in discontinuation of any/all business with the El Paso Public Utilities-Public Service Board.**

Mike Garaci
Digitally signed by Mike Garaci
Date: 2025.03.27 09:58:49 -04'00'

Signature

SUBSCRIBED AND SWORN to before me on this 27 day of March 20 25

NOTARY PUBLIC

Marian Nance
PRINTED NAME

April 6, 2028
MY COMMISSION EXPIRES

COMPANY NAME: Pure Technologies U.S. Inc.

ADDRESS, CITY, STATE & ZIP CODE: 2310 McDaniel Drive, Carrollton, TX 75006

PHONE: 972-512-3600   FAX NUMBER:

CONTACT NAME AND TITLE: Ramsey Hemaidan, Business Development Manager

WEB ADDRESS: wwww.xylem.com   EMAIL: ramsey.hemaidan@xylem.com

FEDERAL TAX ID NUMBER: 86-0853190   TEXAS SALES TAX NUMBER:

March 27, 2025

Adriana L. Castillo, P.E., CDT

Utility Engineering Division Manager | Project Administration - Water

El Paso Water

1154 Hawkins Boulevard

El Paso, TX 79925

Subject: **Pure Technologies Pipeline Inspection**

Dear Ms. Castillo,

Pure Technologies U.S. Inc. ("**Pure**") has created various leak detection and condition assessment technologies that are protected by various North American and international patents and form an integral part of Pure's intellectual property portfolio.

SmartBall® Leak Detection (SmartBall)

Pure's SmartBall leak detection platform is a free-swimming tool that can accurately identify leaks and air pockets in water and wastewater pipelines. It is capable of locating very small leaks typically within 6 feet (1.8 meters) of their actual location.

The applicable U.S. patents are:

Anomaly Detector for Pipelines (untethered, unpowered, rollable device to sense condition of pipeline wall)

Patent No. 8,098,063
Issue Date: 1/17/2012

PureEM® - PipeWalker, PipeDiver, and PureRobotics Platform

PureEM is an electromagnetic (EM) inspection technology for evaluating the current condition of prestressed concrete cylinder pipe (PCCP) (among other types of concrete pipe), bar wrapped pipe, and metallic pipe.

PureEM is deployed on manned inspection tools and other propriety condition assessment platforms owned by Pure including:

- **PipeDiver™ platform.** PipeDiver is an innovative, free-swimming condition assessment platform for water and wastewater pipelines that operates while a main remains in service.

- **PureRobotics™.** PureRobotics is a powerful robotic pipeline inspection system that can be configured to inspect virtually any pipe application of 16" up to 120"; virtually any BWP bar from 16" up to 72"; and virtually any BWP cylinder and metallic pipe from 16" up to 42".

The PureEM technology is protected by various North American and international patents. The applicable U.S. patents are listed below.

Electromagnetic Analysis of Concrete Tensioning Wires

Patent No. 6,791,318	Patent No. 6,781,369
Issue Date: 9/14/2004	Issue Date: 8/24/2004
	*PureEM has been adapted for use in metallic pipe.

PipeDiver® Ultra

Pure's PipeDiver Ultra platform is a free-swimming inline tool used to identify areas of pipe wall loss, out-of-roundness and video inspection of pressurized metallic water pipelines. It is capable of travelling through in-line butterfly valves, enabling long distance inspections from a single insertion point.

The applicable U.S. patent is:

Method and Apparatus to Detect Flaws in Metallic Pipe

Patent No. 16,535,282
Issue Date: Pending

Sahara®

Pure's Sahara platform is a tethered tool used to identify stress in the pipe wall of pressurized mains which is an indicator of where the pipe will be damaged.

The applicable U.S. patents are:

Deployment of Equipment into Fluid Containers and Conduits

Patent No. 6,889,703   Patent No. 7,331,215
Issue Date: 5/10/2005   Issue Date: 2/19/2008

SountPrint AFO®

Pure's PCCP monitoring system to identify and locate individual wire breaks in near real-time within the pipeline.

The applicable U.S. patent is:

Fibre Optic Sensor Method and Apparatus

Patent No. 7,564,540
Issue Date: 07/21/2009

Pure can state with confidence that we are the only company within the United States or elsewhere offering pipeline inspection platforms with these capabilities, features and accuracy. This technology is proprietary and forms an integral part of our Intellectual Property Portfolio.

PURE TECHNOLOGIES U.S. INC.

Mike Garaci
Director, Business Development