



## CONTRACT

This contract ("contract") between CORRPRO Companies, Inc. ("CORRPRO"), and Clearwater Gas System ("Client"), dated this \_\_\_\_\_ day of December, 2014.

Whereas, Client desires to engage CORRPRO to provide certain support services and/or material as described herein (the "Work"); and

Whereas, CORRPRO has agreed to furnish the Work in accordance with the terms and conditions set forth in this Contract; and

Now therefore, in consideration of the mutual covenants set forth herein, and other good and valuable consideration, the receipt of which are hereby acknowledged, the Parties agree as follows:

1. **SCOPE OF WORK.** CORRPRO hereby engages Client, and CORRPRO hereby agrees to perform the Work described on Exhibit B, (attached hereto and incorporated herein) in accordance with, and reasonably inferable from, specifications, drawings and all Contract Documents.
2. **COMPENSATION, COMMENCEMENT AND COMPLETION OF THE WORK.** Compensation to CORRPRO for the proper performance of the Work shall be according to Exhibit B hereto. Amounts paid to CORRPRO hereunder shall constitute the sole and complete compensation for the performance of the Work. CORRPRO shall complete performance of the Work within the agreed schedule set forth on Exhibit B unless the period for performance has been modified in a writing signed by authorized representatives of CORRPRO and Client.
  - 2.1 The Contract amount includes and Client shall pay, except as provided for below, all local, state, and federal taxes, license fees, assessments and permit charges based upon or measured by the work to be done hereunder, labor performed by Clients' employees, materials furnished, and services rendered by its employees, including, but not limited to, business license taxes, sales, use, occupation, gross receipts and like taxes, arising out of the ownership, acquisition, furnishing, installation, inspections or use of materials, equipment, or other personal property, or Clients' furnishing labor or services in respect to the Work. Where any such tax is to be separately stated or charged, the total of all items involved in the Work to be done hereunder, and the added tax so separately stated or charged, shall not exceed the Contract price. Client shall in no instance be responsible for CORRPRO's corporate or employment taxes or any other taxes imposed or resulting from the CORRPRO conducting its business.

CORRPRO agrees that persons employed by CORRPRO for purposes related to the performance of the Work hereunder are not employees of the Client for any purpose whatsoever, including, but not limited to, unemployment tax, social security contributions, income tax withholding or workers compensation, whether local, state or federal. CORRPRO shall be solely liable to pay all such applicable taxes and professional license fees which qualify its employees to perform as required hereunder.
3. **TERMS AND CONDITIONS.** The performance of the Work by CORRPRO to Client for the ultimate benefit of the Client shall be pursuant to all Contract Documents, including the Prime Contract, the Terms and Conditions attached hereto and incorporated herein as Exhibit A, all documents identified and referred to as part of Exhibit B, and Insurance Requirements attached hereto and incorporated herein as Exhibit C. All of the foregoing documents are referred to and fully incorporated herein as Contract Documents.

In witness whereof, the parties hereto have caused this Contract to be executed by their duly authorized representatives as of the date first written above.

**Corrpro Companies, Inc.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Countersigned:

CITY OF CLEARWATER, FLORIDA

\_\_\_\_\_  
George N. Cretekos  
Mayor

By: \_\_\_\_\_  
William B. Horne II  
City Manager

Approved as to form:

Attest:

\_\_\_\_\_  
Laura Mahony  
Assistant City Attorney

\_\_\_\_\_  
Rosemarie Call  
City Clerk

Rev 03/2011



Certificate US14/841744.00

The management system of

# Corrpro Companies, Inc

1055 W. Smith Road,  
Medina, OH, 44256, United States

has been assessed and certified as meeting the requirements of

## ISO 9001:2008

For the following activities

**The design, applications engineering, assembly, survey and installation of Cathodic Protection Systems.**

Further clarifications regarding the scope of this certificate and the applicability of ISO 9001:2008 requirements may be obtained by consulting the organization

This certificate is valid from 15 May 2014 until 15 May 2017 and remains valid subject to satisfactory surveillance audits. Recertification audit due a minimum of 60 days before the expiration date.  
Issue 1 : Certified since 15 May 2014

This is a multi-site certification.  
Additional site details are listed on subsequent pages.



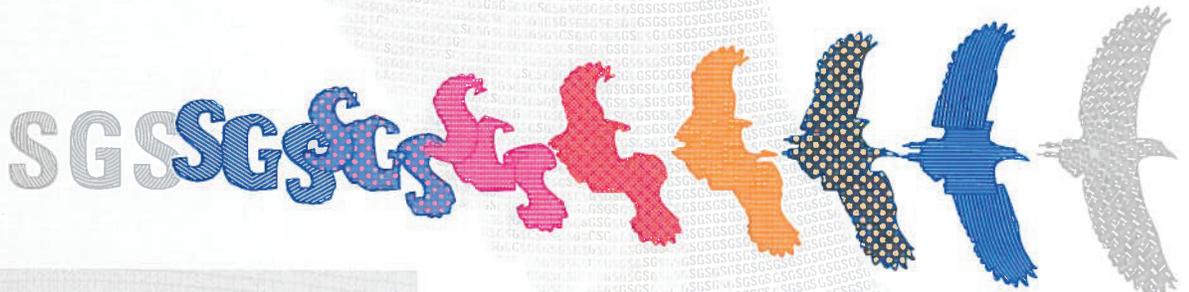
Authorized by

John Woodman  
Senior Vice President SSC, North America  
SGS Systems & Services Certification, a Division of SGS North America, Inc.  
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This certificate remains the property of SGS and shall be returned upon request

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This document is issued by the Company subject to its General Conditions of Certification Services accessible at [www.sgs.com/terms\\_and\\_conditions.htm](http://www.sgs.com/terms_and_conditions.htm). Attention is drawn to the limitations of liability, indemnification and jurisdictional issues established therein. The authenticity of this document may be verified at <http://www.sgs.com/en/Our-Company/Certified-Client-Directories/Certified-Client-Directories.aspx>. Any unauthorized alteration, forgery or falsification of the content or appearance of this document is unlawful and offenders may be prosecuted to the fullest extent of the law.

**Corrpro Companies, Inc.  
STANDARD TERMS AND CONDITIONS**

The performance of services and delivery of materials by Corrpro Companies, Inc. or its subsidiary ("Corrpro") is subject to the following Terms and Conditions:

1.0 Description of Professional Services. Corrpro will provide corrosion control engineering, coatings, consulting, inspection, installation, or technical services, along with products and materials associated with the services, as more fully described in the Services Agreement, Letter to Commence Work and/or other Exhibits (collectively, the "Agreement").

2.0 Client Responsibilities.

2.1 Site information, permits, and approvals.

Client shall obtain or arrange required access rights, site and surface information, approvals, permits, and licenses for the engagement, other than professional and business licenses required of Corrpro in the ordinary course of business. If design/engineering services are included, Client shall furnish complete and accurate relevant criteria, to assist in such design/engineering as it has available in the course of its business.

2.3 Safety, waste, pollutants.

(a) Client shall provide a safe work environment for those activities performed by Corrpro at work sites other than Corrpro's facilities. Other than as may be required or applicable to CORRPRO employees in the course of their employment, Corrpro shall have no obligation with respect to the means and methods of others or any health or safety precautions required of others by regulatory agencies.

(b) Client shall be responsible for ownership, releases, transportation, clean up and disposal of waste materials or pollutants.

3.0 Warranty.

Client and Corrpro agree that the warranties provided in the Warranty Certificate attached as Exhibit C are the sole and exclusive warranties applicable to the services, products and materials covered by the Agreement. The Warranty Certificate provisions shall take precedence and govern over any additional or inconsistent term contained in any Exhibit or other document, unless such additional or inconsistent term is in writing signed by an authorized representative of Corrpro and specifically states that such term is intended to add to or modify the provisions of the Warranty Certificate. In the event Client provides design services, Corrpro shall not be liable for losses resulting from design services.

4.0 Indemnification.

4.1 Corrpro. As to claims other than warranty claims subject to paragraph 3.0, Corrpro agrees to indemnify Client for Client's losses to the extent caused by the negligence of Corrpro and its employees or a authorized agents performing within the scope of their employment or agency.

4.2 Client. Subject the limits of Section 768.28, Florida Statutes, Client agrees to indemnify Corrpro for Corrpro's losses to the extent caused by the negligence of Client and

its employees performing within the scope of their employment. Notwithstanding anything contained herein to the contrary, this indemnification provision shall not be construed as a waiver of any immunity to which City is entitled or the extent of any limitation of liability pursuant to § 768.28, Florida Statutes. Furthermore, this provision is not intended to nor shall be interpreted as limiting or in any way affecting any defense City may have under § 768.28, Florida Statutes or as consent to be sued by third parties.

5.0 Insurance

Corrpro shall maintain general liability, professional liability, and automotive liability insurance, and property insurance covering Corrpro's machinery and equipment, in commercially reasonable amounts, and workers compensation insurance coverage required by law. Such insurance shall be subject to the coverage provisions, limitations of liability, and other terms and conditions contained in the applicable policies. Upon request Corrpro will provide a certificate evidencing such insurance.

6.0 Confidentiality and Ownership Rights

6.1 Confidential Information. Subject to applicable law, including but not limited to Chapter 119, Florida Statutes, (Florida Public Records law) Client and Corrpro shall each maintain the confidentiality of information specifically designated as confidential by the party providing the information, except as required by law.

6.2 Ownership Rights. External reports/deliverables contemplated hereunder prepared for Client's use shall belong to Client. Ownership of all rights, including copyrights, in internal reports, specifications, drawings and other documents, including those in electronic form, prepared by Corrpro shall belong to Corrpro. Ownership in intellectual property rights, including patentable and unpatentable inventions, methods,

## Exhibit A

processes, copyrightable software or works, developed by or with Corpro in connection with the engagement shall belong to Corpro.

### 7.0

#### Remedies

7.1 Opportunity to Cure. If any alleged breach, error, omission or other circumstance giving rise to a claim or dispute arises, the injured party shall provide written notice

to the other party providing reasonable details of the facts and providing for a reasonable opportunity (up to 30 days) for the other party to remedy the problem.

7.2 Term and Termination of Agreement. The Agreement

commences as of the date of execution of the Services Agreement or the Letter to Commence Work by authorized representatives of both Corpro and Client and continues through the completion of the services and the final and complete payment by Client to Corpro for the services and associated products or materials. If a claim or dispute arises during the term of the Agreement and is not timely remedied as provided in paragraph 7.1, the injured party may terminate the Agreement upon written notice, provided that Client shall remain responsible for paying Compensation accrued to Corpro through the date of termination. If Client terminates the Agreement without cause, Corpro may recover the full amount of Compensation contemplated in the Services Agreement or Letter to Commence Work. If Client terminates the Agreement for cause, Corpro shall be entitled to all monies earned to the date of the termination.

7.3 Dispute Resolution. Corpro's claims solely for past due Compensation are, at Corpro's sole option, not subject to the mediation and arbitration provisions below except and unless, prior to Corpro's commencing a collection action, Client has provided written notice to Corpro of an alleged breach of the Agreement as provided in paragraph 7.1 above. The parties shall engage in reasonable efforts (including a meeting of high ranking management of the Client and Corpro facilities involved) to resolve any other claim or dispute not resolved timely under paragraph 7.1 above, or other matters in question arising out of or related to the Agreement. If not resolved, such claim, dispute, or matter shall be submitted to non-binding mediation under (unless the parties agree otherwise) either the Construction Industry or Commercial Mediation Rules of the American Arbitration Association. If the mediation does not result in a settlement within 60 days after service of a written demand for mediation, any unresolved controversy or claim shall be settled by binding arbitration, except that at Corpro's option, Corpro may sue for past due Compensation. The arbitration shall be under (unless the parties agree otherwise) either the

Construction Industry or Commercial Arbitration Rules then 7.4 In effect of the American Arbitration Association. Judgment on the award may be entered in any court having jurisdiction thereof. Mutual Limitation of Liability for Damages. In addition to the limitations of liability set forth on the Warranty Certificate and except as stated in this section 7.0, neither party to the Agreement shall be responsible to the other party for incidental, consequential, indirect, punitive, or exemplary damages with respect to any claims, disputes, or other matters in question arising out of or relating to the Agreement or its termination, and Client and Corpro shall waive such damages.

### 8.0 Other Provisions

(a) Compliance with laws. Client and Corpro shall comply with all applicable laws and regulations, including environmental and safety laws applicable to the respective operations of each, the Fair Labor Standards Act and other laws concerning wages, hours, and equal employment opportunity.

(b) Governing Laws. The Agreement shall be governed by and construed in accordance with the laws of the State of Florida excluding any conflict of laws provision which would

refer to the law of another jurisdiction.

(c) Force Majeure. Neither party shall be liable for its failure or delay in performance, other than the duty to pay the Compensation earned, if due to circumstances beyond its reasonable control including governmental action, fire, flood, weather conditions, natural catastrophes, war, labor troubles, or strikes.

(d) Assignment. The Agreement may not be assigned without consent of the parties. Corpro may utilize its authorized representatives and subcontractors in performing the Agreement. The Agreement shall be binding upon and inure to the benefit of the parties' successors and permitted assigns.

(e) Entire Agreement/Amendments. The Agreement, the Warranty Certificate and the Exhibits constitute the complete and entire understanding and agreement between the parties with respect to the subject matter of the Agreement. No prior or contemporaneous statement, agreement, representation or warranty, oral or written, with respect to the subject matter hereof, shall vary or modify the written terms of the Agreement. The Agreement may be amended only by a written document signed by both parties.

(f) Headings. The headings in the Agreement and any Exhibit are for ease of reference only and in no way define, limit, construe or describe the scope or extent of such section.

(g) In addition to all other contract requirements as provided by law, the contractor executing this agreement agrees to comply with public records law specifically to:

- (h) Keep and maintain public records that ordinarily and necessarily would be required by the public agency in order to perform the service being provided by the contractor hereunder.
- (i) Provide the public with access to public records on the same terms and conditions that the public agency would provide the records and at a cost that does not exceed the cost provided for in Chapter 119, Florida Statutes, as may be amended from time to time, or as otherwise provided by law.
- (j) Ensure that the public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law.
- (k) Meet all requirements for retaining public records and transfer, at no cost, to the public agency all public records in possession of the contractor upon termination of the contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the public agency in a format that is compatible with the information technology systems of the public agency.
- (l) The contractor hereby acknowledges and agrees that if the contractor does not comply with a public records request, the public agency shall enforce the contract provisions in accordance with the contract.

END of Exhibit A

This WARRANTY CERTIFICATE is provided to the purchaser of Corpro's products and/or services and is subject to Corpro's terms and conditions applicable to such sale.

#### WARRANTY ON CORRPRO SERVICES

Corpro warrants that, for the duration of the Warranty Period and subject to the other limitations herein, each Corpro Service has been performed in accordance with Corpro's applicable specifications, procedures, and directions for such Corpro Service. As used in this warranty, "Corpro Service" means service provided by Corpro, its employees, and authorized subcontractors.

#### WARRANTY ON CORRPRO PRODUCTS

Corpro warrants that, for the duration of the Warranty Period and subject to the other limitations herein, Corpro Products will be free from defect in materials and workmanship. As used in this warranty, "Corpro Products" means only (a) products manufactured solely by Corpro and (b) components of cathodic protection systems installed as part of Corpro Services. Except as stated in the preceding sentence, Corpro does not warrant products manufactured or supplied by other parties, and purchaser shall be entitled to rely on the warranties, if any, only to the extent extended to purchaser by such other parties.

#### WARRANTY PERIOD

"Warranty Period" means (a) for Corpro Services and Corpro Products installed as part of Corpro Services, the one (1) year period beginning the date the applicable Corpro Services are completed; and (b) for Corpro Products not installed as part of Corpro Services, the ninety (90) day period beginning with the date of shipment from Corpro. The providing of Warranty Service does not extend or restart a new Warranty Period.

#### WARRANTY SERVICE

Claims arising out of the above warranties must be made in writing and delivered to the Corpro location which provided the Corpro Services or Corpro Products, or if such location has moved, to its new location or to Corpro's headquarters. As a condition to Corpro's obligations herein, the claimant must provide the warranty certificate and original invoice applicable to such Corpro Product or Corpro Service and shall set forth the specific circumstances of the claim in reasonable detail. Any claim not made within the applicable Warranty Period shall be conclusively deemed waived by claimant.

Corpro's obligation to honor its warranty on defective Corpro Services is in all cases limited to, at Corpro's sole option: 1) re-performing such Corpro Service, 2) performing additional Corpro Service, or 3) providing a refund or credit. Notwithstanding anything herein to the contrary, the value of the foregoing shall in no event exceed the amount paid for the original Corpro Service.

## CORRPRO COMPANIES, INC. WARRANTY CERTIFICATE

Corpro's obligation to honor its warranty on defective Corpro Products is in all cases limited to, at Corpro's sole option: 1) repair or replacement of the defective Corpro Product or component thereof, or 2) providing a cash refund or credit. Notwithstanding anything herein to the contrary, the value of the foregoing shall in no event exceed the amount paid for the original Corpro Product. Replaced Corpro Products shall become the property of Corpro. Corpro shall not be liable for any expense incurred by purchaser in order to remedy any warranted defect.

#### RELIANCE ON PURCHASER'S REPRESENTATIONS

Corpro shall be entitled to rely on representations made by or on behalf of Purchaser that all conditions necessary for the proper installation or performance of Corpro Products, systems, materials, components and Corpro Services have been satisfied, except to the extent Corpro is specifically contracted to make such determination. Corpro shall have no liability for any and all claims, losses, and causes of action arising out of, resulting from, or in any way attributable to failure of Purchaser to satisfy such conditions, Purchaser's failure to advise of existing site conditions affecting the work (including, but not limited to, the location of subsurface or concealed structures, systems or components thereof), or the use or operations of products, materials, or systems subsequent to any transfer to any third party. Corpro makes no representations or warranties with respect to, and disclaims liability arising out of, products or services sold by purchaser.

#### DAMAGE AND SUBSEQUENT EVENTS

Corpro shall have no obligation to provide warranty service and shall have no liability with respect to defective Corpro Services or Corpro Products if the Corpro Products, materials, systems of which they are a part, or structures they are intended to protect from corrosion have: 1) been modified, altered, relocated (in the case of cathodic protection systems), used for other than intended purposes, or otherwise changed without Corpro's written consent; 2) been damaged or abused; 3) not been operated or maintained in accordance with design specifications, instructions, operations and maintenance documents, or reasonable business practices; or 4) in the case of Corpro Products or Corpro Services, not been paid for in full.

#### NO RELIANCE ON OTHER STATEMENTS

This warranty is the sole warranty offered by Corpro. No statement or affirmation by or on behalf of Corpro by words or actions other than as set forth herein shall constitute a warranty, and Purchaser shall not be entitled to rely on any oral or written statement including those of any employee,

agent, or representative of Corpro as being part of the terms and conditions of this warranty or of doing business unless such statement is in writing signed by a vice president of Corpro.

#### RISK ALLOCATION

Corpro does not represent, warrant, or otherwise guarantee that any product, material, or system sold is failure proof. Corpro does not insure results and the prices charged reflect that an allocation of risk is being made. It is the responsibility of purchaser to maintain such insurance as is required under the circumstances.

#### LIMITATION OF LIABILITY/SOLE REMEDY

THE WARRANTIES PROVIDED ABOVE ARE IN LIEU OF ANY AND ALL OTHER WARRANTIES, CONDITIONS, AND LIABILITIES, EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. PURCHASER AND SELLER EXPRESSLY AGREE THAT THIS WARRANTY SHALL SERVE AS PURCHASER'S SOLE AND EXCLUSIVE REMEDY WITH RESPECT TO PRODUCTS AND SERVICES PROVIDED BY CORRPRO, ITS EMPLOYEES OR AUTHORIZED SUBCONTRACTORS. IN NO EVENT WILL CORRPRO BE LIABLE TO PURCHASER, ITS AFFILIATES, SUCCESSORS, ASSIGNS OR TRANSFEREES OR TO ANY THIRD PARTY (BY VIRTUE OF CONTRACT, TORT (INCLUDING NEGLIGENCE), WARRANTY, STRICT LIABILITY OR OTHERWISE) FOR ANY INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, PUNITIVE OR, EXCEPT AS PROVIDED HEREIN, SPECIAL DAMAGES (INCLUDING WITHOUT LIMITATION LOST PROFITS OR OPPORTUNITIES) ARISING OUT OF OR IN ANY WAY RELATED TO THE PRODUCTS OR SERVICES SUPPLIED, ACTS OR OMISSIONS IN CONNECTION WITH ANY AGREEMENT RELATED TO THE WARRANTIES CONTAINED HEREIN, OR PRODUCTS, MATERIALS, OR SERVICES PROVIDED BY CORRPRO UNLESS EXPRESSLY AND EXPLICITLY PROVIDED FOR HEREIN OR IN WRITING SIGNED BY AN AUTHORIZED OFFICER OF CORRPRO OR AS OTHERWISE REQUIRED BY LAW. THE WARRANTY PROVIDED HEREIN SHALL EXTEND TO THE FIRST PURCHASER OF SUCH GOODS OR SERVICES FROM CORRPRO AND SHALL NOT BE ASSIGNED OR TRANSFERRED.

**corpro**  
An Aegion Company

**Contract Documents – Expanded Description of Services**  
**Schedule of Work – Payment Terms – Notices**

[√ If applicable]

Contract Documents: The attached document(s), with the following titles (latest date or revision unless otherwise indicated) are Contract Documents:

Request for proposals City of Clearwater, Florida - RFP NO. 36-14 August 22, 2014

Expanded Description of Services: Detailed description of Work to be performed by Subcontractor:

The following outlines Corrpro's proposed scope of work associated with the evaluation process being performed as part of Clearwater Gas System (CGS) cathodic protection project.

Methodology:

Corrpro intends to assign Michael Dammer as the primary engineer for the account. As the lead engineer, Michael will provide the field services required to maintain effective corrosion control for the gas distribution system. The effort will require close interface with gas system personnel from a scheduling perspective, as well as working together to troubleshoot and repair problems in the system.

The system maintenance will be carried out in a partnership arrangement with gas company personnel. Proper operating ranges for each system will be established by Corrpro. When systems are found outside of the proper range, Corrpro will work with CGS personnel to determine the cause(s) and if corrective action is needed.

Maintenance of the cathodic protection systems also includes annual surveys for evaluation to NACE criteria. This includes consideration for voltage drops other than those across the structure to soil interface. In short, the surveys will be completed with the rectifiers interrupted using GPS synchronized current interrupters. Annual survey results will be documented in table form and provided along with a letter format report describing the conclusions and recommendations for continued corrosion control.

During the annual surveys, small repairs will typically be handled while the engineer is still in the area. Repairs like fuse and stack replacements will often be handled and mentioned in the reports. Clearing electrical shorts on the line found during the surveys will be coordinated with gas company field crews.

One key area where support may be needed is in locating and resolving DC interference on the gas system. The interference may be caused by other gas systems, but may also be caused by underground storage tank systems operating at local service stations. Recently there has been extensive testing in other regions to resolve such conflicts.

Corrpro will support CGS to develop policies, testing procedures, protocols and remedial documentation process required for compliance with Subpart I of 49 C.F.R. Part 192. This will include (but not limited to):

- Developing procedures for the design, inspection, operation, and maintenance of corrosion control systems to be executed under the direction of the person in charge of the Corrosion Control Section or other as designated who is qualified by education, training and experience in natural gas pipeline facilities corrosion control methods, i.e. (192.453) (192.605 (b)(2)).
- Developing procedures for all cathodically protected pipelines are periodically surveyed or monitored as required. Prompt remedial action is initiated (shop work request) by the Corrosion Control Section to correct any deficiencies indicated by the monitoring. Repair work progress and completion status is tracked by the Corrosion Control Section and reports are generated and distributed to each repair section supervision listing outstanding work to be completed and duration of time since the work was requested, i.e. (192.465 (d)).
- Developing procedures to confirm all Corrosion Control Records are maintained for as long as the pipeline remains in service. Corrosion Control components and protected piping are recorded within Detail Main Maps and Corrosion Control Maps. Other records systems that contain test, survey, and inspection data to demonstrate that adequacy of corrosion control measures include; Corrosion Test Station Record Cards, Corrosion Job Files, Rectifier Inspection Record Cards, Short Main (lengths 100' or less) Potential Record Cards, and various computer data base records, i.e. (192.491).
- Developing procedures for maps and records for Corrosion Control are maintained by the Corrosion Control Section and Drafting for all Distribution Operations main and services, and those associated with Gas pipeline, i.e. (192.491).

- Maps, drawings and/or records of inspection and maintenance for components in the distribution system that could be affected by corrosion are maintained by CGS personnel, i.e. (193.2625). The data would be incorporated into GIS system.
- Developing cathodic protection system design and operation manuals, i.e. (192.453).

A comprehensive field testing and data analysis would be executed to provide detailed recommendation to CGS for complying with C.F.R. 192 requirements. Corpro will physically inspect and test all sections of the distribution piping system in an effort to clearly define system integrity, program effectiveness and recommend remedial action and/or procedural changes. Once these areas are addressed, an overall evaluation of Clearwater Gas Company's 2012 and 2013 cathodic protection data set will be conducted. An engineered approach will then be developed to determine if it is necessary to conduct additional field testing.

Corpro will develop a detailed procedure for Pipeline Integrity Evaluation Strategy. As part of Evaluation Strategy, Corpro will assist CGS to establish a comprehensive protocol to categorize the piping systems based on potential polarization and leak history. The categorization of the pipeline systems will facilitate CGS to evaluate and assess cathodic protection (CP) systems and ensure an effective CP program. In particular, first emphasis will be placed on the following areas:

- All pipe sections with sub-criteria potential,  $> -0.85\text{v}$ , and a corrosion leak history (Category A)
- All pipe sections with sub-criteria potential and no leak history (Category B)
- All pipe sections with marginal potential,  $-0.85\text{v}$  to  $-0.90\text{v}$ , and a corrosion leak history (Category C)
- All pipe sections with  $< -0.90\text{v}$  and a corrosion leak history of 3 or more leaks (Category D)

To determine the existing condition of the pipeline system, a wide array of assessment tools, field test equipment and methodologies will be required to meet the established goals and objectives. During the field assessments, weekly progress reports and monthly field test reports will be submitted to CGS.

Location sheets of planned activities for the each week will be provided to the Company prior to the start of each work week.

Periodic meetings will be scheduled with key Clearwater Gas System personnel to ensure close communication, proper compilation of data, engineering analysis of the data and preparation of graphs and charts. A subsequent meeting with the Commission will be scheduled and Corpro's Principal Engineer and Project Manager will be made available as deemed appropriate by Clearwater Gas System.

Using sound engineering judgment, Corpro will choose the appropriate tasks/tools from the list below that are considered necessary to determine the health of the system and make recommendations on each system evaluated and assessed.

- 1) Potential Mapping – Whereas close interval surveys are likely not cost effective or practical for the distribution piping systems being evaluated, potential mapping is a viable assessment tool. The field engineers will typically collect electrical potential measurements between the available test stations at intervals not to exceed 100 feet between readings (unless a valid, documented explanation is provided). Problem areas, direct connected galvanic anodes, additional system appurtenances which are commonly found between test points will also be mapped. The data collected will assist in verifying the previously reviewed test data. Furthermore, the potential mapping will serve as a valuable tool to identify sub-criterion measurements as well as verify protected pipe sections, i.e. (C.F.R. 192.465 (e)(2)).
- 2) Identify the Adequacy of Test Points – The applicable state and federal regulations indicate that an “adequate” number of test stations are required to demonstrate the effectiveness of cathodic protection system. This broad requirement will be considered in terms of test station frequency determination. The potential mapping will be valuable in making this determination and recommending, where necessary additional test points are needed, i.e. (C.F.R. 192.469).
- 3) Current Requirement Measurements – Current requirement testing will be conducted with the use of temporary ground-beds and a portable current source. The data will be used to determine the actual current required to achieve accepted levels of cathodic protection. This information will be valuable, particularly on the pipe sections of sub-criterion protection as it will help in determining the coating quality. Ultimately, this information will be used to decide whether a system should be replaced or whether it can be economically cathodically protected, i.e. (C.F.R. 192.483)

- 4) Electrical Continuity Measurements – Continuity measurements will be obtained on suspected “shorted” piping and used as a verification tool. Typically, if a cathodically protected system is electrically shorted to adjacent or foreign metallic structures, the cathodic protection system is probably not meeting accepted levels of corrosion control. Additionally, dielectric fittings such as unions may be defective, which can negatively impact the system integrity, i.e. (C.F.R. 192.471).
- 5) Resistivity Testing - In-situ soil resistivity measurements using the Wenner four-electrode surface technique as described in ASTM G57 will be obtained based upon a review of the cathodic protection data. Resistivity data is useful in determining the corrosivity of an area which can significantly impact the functionality of galvanic anodes, i.e. (C.F.R. 192.465 (e)(3)).
- 6) Anode Current Output – In practical and accessible areas, magnesium anode current outputs will be obtained at test station locations. The values will be used to determine the functionality of the anodes and to estimate their remaining service life, i.e. (C.F.R. 192.465).
- 7) Identify Practicality of Achieving Protection by Means of Galvanic Anodes- Based on the data analysis, associated soil resistivity measurements and current requirement measurements, the effectiveness of using galvanic anodes will be determined. This is especially useful in determining the practicality of using a galvanic versus an impressed current system to protect the pipe in question, i.e. (C.F.R. 192.487 & 192.489).
- 8) Verification and Collection of Pipe-to-Soil Data at Test Points – This method will be utilized to verify the validity of all of the CP data as well as determine the validity of the testing procedures. Test station data will also be taken remotely at intervals of sufficient spacing and number to validate procedures and annual CP survey data, i.e. (C.F.R. 192.465)
- 9) Electrical Isolation Testing – For systems requiring such action, above grade flanges, dressers, couplings and insulated unions will be tested to determine the integrity and effectiveness of their electrical isolation quality utilizing a Gas Electronics #601. This device is capable of locating shorted bolts and can evaluate partially shorted insulators. Underground insulators requiring such action will be tested using, the Gas Electronics #701. The results of this testing will be extremely valuable for troubleshooting pipe sections, i.e. (C.F.R. 192.467).

- 10) Verification of Annual CP Data – Many of the test methods listed above will be utilized to determine and verify the validity of the previously collected potential measurements. City of Clearwater Corrosion technicians will be observed to verify proper use of equipment, including data loggers, half cells, multi-meters, and other equipment used in the course of their respective cathodic protection duties. Verification of proper use of equipment will also include calibration and data collection procedures, i.e. (C.F.R. 192.491).

The following are the defined deliverables for the Corrosion Program Evaluation:

a) Data Collection and Analysis

- 1) Produce weekly location sheets for Corpro field activities prior to commencement of the activities.
- 2) Produce weekly progress and monthly field test reports that reference the work conducted and recommended remediation by segment.
- 3) Schedule periodic conference call/meeting at two week intervals to discuss findings and ensure close communication.
- 4) Produce a comprehensive report and detailed spreadsheet with data compilation, graphs, and engineering analysis of each section of pipe assessed.
- 5) Provide detailed recommendations for possible remediation associated with each pipe sections.
- 6) Subsequent presentation to the Public Service Commission of the State of Florida if requested.
- 7) Provide Operation and Maintenance (O&M) Manual for Clearwater Gas System CP System.
- 8) Develop Evaluation Strategy protocol that will satisfy the “Public Service Commission Requirements”. b) Post Corrective Action  
After City of Clearwater has completed any recommended remediation and/or corrective action, Corpro’s Project Manager will conduct verification of the cathodic protection system effectiveness and the results of the corrective action. This condition assessment will provide the assurance that the integrity of the cathodic protection is sound and that effective corrosion control measures are currently in place.

Although the evaluation scope is stated per the aforementioned, variances in field conditions should allow latitude in terms of considering other assessment techniques when necessary as approved by Clearwater Gas System. This engineered approach and potential changes in assessment decisions will be specific to the actual Clearwater Gas System conditions. At this juncture we do not envision such changes in scope but experience has indicated that we should approach the project with open-mindedness, allowing for technical adjustments should we encounter different scenarios.

Schedule of Work: Work will be performed in accordance with the schedule below:

Milestone Dates

Request for Proposal (issued)...Aug 22  
 Proposals Due.....Sept 15  
 Proposal Review & Evaluation..Sept 16 – 26  
 Presentations .....Sept 29 – Oct 3  
 Consultant Selected.....Oct 6  
 Contract Negotiation..... City Council  
 Approval.....Nov 20  
 Provide work schedule.....Nov 24

Schedule will be coordinated between CORRPRO and Client.

Payment Terms: The amount and method of payment to Subcontractor for the proper performance of Work shall be:

A. Labor

| Classification                   | Rate           | Overtime      |
|----------------------------------|----------------|---------------|
| Principal Engineer (Walt Young)  | \$120 /hr      | n/a           |
| Project Manager (Michael Dammer) | \$95 / hr      | n/a           |
| API Engineer P.E.                | \$110 /hr      | n/a           |
| Sr. Engineer (Michael Dammer)    | \$95 /hr       | n/a           |
| Field Engineer (Jim Bradford)    | \$ 80 /hr      | n/a           |
| Technician                       | \$ 62 /hr      | \$ 93.00 /hr  |
| Construction Superintendent      | \$ 70 /hr      | n/a           |
| Foreman                          | \$ 58 /hr      | \$ 87.00 /hr  |
| Operator                         | \$ 48 /hr      | \$ 72.00 /hr  |
| Laborer                          | \$ 35 /hr      | \$ 52.50 /hr  |
| Draftsman                        | \$ 50 /hr      | n/a           |
| Data/Word Processing             | \$ 35 /hr      | n/a           |
| Coating Inspector                | \$ 85 /hr      | \$ 127.50 /hr |
| Inspector API 653/570/510        | \$ 95 /hr      | \$ 142.50 /hr |
| <br>                             |                |               |
| CIS CREW / DCVG Crew (2-man)     | \$ 2,100 / day | n/a           |
| CIS CREW / DCVG Crew (3-man)     | \$ 3,150 / day | n/a           |

B. Expenses

|                    |            |
|--------------------|------------|
| Meals              | 30/day/man |
| Room               | cost + 15% |
| Air Transportation | cost + 15% |
| Equipment Rental   | cost + 15% |
| Subcontractor      | cost + 15% |

|                                  |                           |
|----------------------------------|---------------------------|
| C. Equipment                     |                           |
| Auto                             | \$0.505 cent/mile         |
| Pickup                           | \$0.505 cent/mile         |
| Utility Truck w/ tools           | \$48/day + .505 cent/mile |
| Auger Truck w/ drill stem        | \$60/day + .505 cent/mile |
| Backhoe w/trailer                | \$225 / day               |
| Trencher                         | \$200 / day               |
| Directional Drill Rig            | \$1000 / day              |
| Jack Hammer (Electric)           | \$75.00/day               |
| Concrete Saw                     | \$125.00/day              |
| Cut off Saw                      | \$65.00/day               |
| Other equipment quoted as needed |                           |

|                 |             |
|-----------------|-------------|
| D. Instruments  |             |
| PCM Equipment   | \$100 / day |
| GPS (sub-meter) | \$100 / day |
| CIS Equipment   | \$150 / day |

Notices:

**Corrpro Companies, Inc.**

**Subcontractor:**

Phone: \_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Fax: \_\_\_\_\_

Attention: \_\_\_\_\_

Attention: \_\_\_\_\_

| Classification                | Base                      | OH          | Profit      | Base                | Base                    | Task                                   |  |   |  |   |   |  | Total |               |
|-------------------------------|---------------------------|-------------|-------------|---------------------|-------------------------|--|--|---|--|---|---|--|-------|---------------|
|                               | Period Rate<br>(Standard) | Rate<br>25% | Rate<br>25% | Period Rate<br>W/OH | Period Rate<br>W/OH & P | Prior Report Review<br>Document Review | Survey<br>Potential Mapping - Electrical Isolation Testing | Reporting (concurrent with survey)<br>Identifying Deficiencies - Developing Survey Plan | Troubleshooting<br>Current Requirement, Electrical Continuity, Resistivity Testing | Reporting<br>Construct Final Report Plan with CGS | Repair - Estimated % 1S Repair<br>Basic 1S Rectifier Repair | Repair - ESTIMATED<br>Construction - Excavation - Anode Installation | Hours | Cost Estimate |
| PROGRAM MANAGER (PRINCIPAL)   | \$120.00                  |             |             |                     |                         |  |  |   |  | 20  |   |  | 20    | \$2,400.00    |
| PROJECT MANAGER / SR ENGINEER | \$95.00                   |             |             |                     |                         | 120                                    | 240  |   | 160  |   | 40  | 40   | 1000  | \$95,000.00   |
| FIELD ENGINEER                | \$80.00                   |             |             |                     |                         |  | 480  | 240   | 320  | 160   | 80  | 80   | 960   | \$76,800.00   |
| CONSTRUCTION SUPERINTENDENT   | \$65.00                   |             |             | \$83.20             | \$107.33                |  |  |   |  |   | 80  | 80   | 80    | \$8,586.24    |
| FOREMAN                       | \$76.00                   |             |             | \$97.28             | \$125.49                |  |  |   |  |   | 160   | 160  | 160   | \$12,160.00   |
| OPERATOR                      | \$85.00                   |             |             | \$108.80            | \$140.35                |  |  |   |  |   | 160   | 160  | 160   | \$22,456.32   |
| LABORER                       | \$52.00                   |             |             | \$66.56             | \$85.88                 |  |  |   |  |   | 160   | 160  | 160   | \$13,737.98   |
|                               |                           |             |             |                     |                         |  |  |   |  |   |   |  | 0     | \$0.00        |
| EXPENSES (ESTIMATED)          | Cost+15%                  |             |             |                     |                         |  | 7500   |   | 4500   |   | 2500  | 18000  | 32500 | \$37,375.00   |
| VEHICLES                      | \$0.00                    |             |             |                     |                         |  | 7000   |   | 7000   |   | 3500  | 14000  | 31500 | \$153.00      |
| BACKHOE                       | \$225.00                  |             |             |                     |                         |  |  |   |  |   |   | 20   | 20    | \$4,500.00    |
| MATERIALS (ESTIMATED)         | Cost+15%                  |             |             |                     |                         |  |  |   |  |   | 5000  | 30000  | 35000 | \$40,250.00   |
|                               |                           |             |             |                     |                         |  |  |   |  |   |   |  | TOTAL | \$313,424.62  |

**INSURANCE**

CORRPRO shall, at its sole expense, secure and maintain in force while the contract is in effect, policies of insurance of the following types:

1. **Commercial General Liability Insurance** including but not limited to, premises operations, products/completed operations, products liability, contractual liability, independent Vendors, personal injury and advertising injury, in the minimum amount of \$1,000,000 per occurrence and \$2,000,000 general aggregate, and \$2,000,000 products/completed operation aggregate.
2. **Commercial Automobile Liability Insurance** for any owned, non-owned, hired or borrowed automobile is required in the minimum amount of \$1,000,000 combined single limit.
3. Statutory **Workers' Compensation Insurance** in accordance with the laws of the State of Florida, and **Employer's Liability Insurance** in the minimum amount of \$100,000 each employee each accident, \$100,000 each employee by disease and \$500,000 aggregate by disease with benefits afforded under the laws of the State of Florida. Coverage should include Voluntary Compensation and U.S. Longshoremen's and Harbor Worker's Act coverage where applicable. Coverage must be applicable to employees, Contractors, and Subcontractors, if any.
4. **Professional Liability/ Errors or Omissions Insurance** coverage appropriate for the type of business engaged in by the Vendor with minimum limits of \$1,000,000 per occurrence. If a claims made form of coverage is provided, the retroactive date of coverage shall be no later than the inception date of claims made coverage, unless prior policy was extended indefinitely to cover prior acts. Coverage shall be extended beyond the policy year either by a supplemental extended reporting period (ERP) of as great a duration as available, and with no less coverage and with reinstated aggregate limits, or by requiring that any new policy provide a retroactive date no later than the inception date of claims made coverage.

5. If the Vendor is using its own property or the property of City in connection with the performance of its obligations under this Agreement, then **Property Insurance** on an “All Risks” basis with replacement cost coverage for property and equipment in the care, custody and control of others is required.

The above insurance limits may be achieved by a combination of primary and umbrella/excess liability policies.

**Other Insurance Provisions:**

1. The City must be specifically included as an “Additional insured” on the Commercial Liability Insurance and Commercial Auto Liability Insurance listed above, and as a “Loss Payee” on Vendor’s Property Insurance policy, if applicable to the project per the above.
2. Prior to the execution of this Agreement, and then annually upon the anniversary date(s) of the insurance policy’s renewal date(s), the Vendor will furnish the City with a Certificate of Insurance evidencing the coverage’s set forth above and naming the City as an “Additional Insured” on the Vendor’s Commercial General Liability Insurance Commercial Auto Liability Insurance, policies listed above, and as a “Loss Payee” on the Vendor’s Property Insurance policy, if applicable to the project per the above. In addition when requested in writing from the City, Vendor will provide the City with certified copies of all applicable policies. The addresses where such certificates and certified policies shall be sent or delivered is as follows:

**City of Clearwater**  
**Attn: Clearwater Gas Services**  
**P.O. Box 4748**  
**Clearwater, FL 33758-4748**

3. Vendor shall provide thirty (30) days written notice of any cancellation, non-renewal, termination, material change or reduction in coverage.
4. Vendor’s insurance as outlined above shall be primary and non-contributory coverage for Vendor’s negligence.

5. Vendor shall defend, indemnify, save and hold the City harmless from any and all claims, suits, judgments and liability for death, personal injury, bodily injury, or property damage arising directly or indirectly including legal fees, court costs, or other legal expenses.

**The stipulated limits of coverage above shall not be construed as a limitation of any potential liability to the City and/or State of Florida, and failure to request evidence of this insurance shall not be construed as a waiver of Vendor's obligation to provide the insurance coverage specified.**