

Henry Walker  
hwalker@bradley.com  
615.252.2363 direct  
615.252.6363 fax



January 11, 2022

Electronically Filed in TPUC Docket Room  
on January 11, 2022 at 1:56 p.m.

**VIA ELECTRONIC FILING & U.S. MAIL**

Tennessee Public Utility Commission  
Attn: Monica Smith-Ashford, Hearing Officer  
502 Deaderick Street, Fourth Floor  
Nashville, Tennessee 37243

***In re: Joint Request of Chattanooga Gas Company and Kordsa, Inc. for approval of  
Special Contract. Docket No. 21-00094.***

Dear Monica,

As we discussed in the pre-hearing conference on January 10, 2022, I am filing the attached information that Kordsa informally provided to the Consumer Advocate during the Advocate's investigation of this docket.<sup>1</sup>

Based on Kordsa's initial filings, the Advocate asked three sets of questions. In response, Kordsa assembled the requested information within a day or two of each request. The information was not provided in response to a formal discovery request, was not provided under oath and was not intended to be used for any purpose other than to expedite the proceedings and help the Advocate better understand the need for the Special Contract.

After providing the Advocate with this information, Kordsa filed rebuttal testimony and exhibits—all filed under oath—addressing each of the issues raised by the Advocate in this case. Nevertheless, Kordsa has no objection to also including in the evidentiary record the informal responses for whatever weight the Commission chooses to give them.

If you have any questions, feel free to call me at 615.252.2363.

Sincerely,

BRADLEY ARANT BOULT CUMMINGS, LLP

By:

A handwritten signature in blue ink, appearing to read "Henry Walker", is written over a horizontal line. Below the line, the name "Henry Walker" is printed in a black sans-serif font.

Henry Walker

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<sup>1</sup> The information was provided to the Commission staff at the same time it was provided to the Advocate.

cc: All parties

HW/mf  
Enclosures

IN THE TENNESSEE PUBLIC UTILITY COMMISSION  
AT NASHVILLE, TENNESSEE

IN RE:	)	
	)	
JOINT REQUEST OF CHATTANOOGA	)	
GAS COMPANY AND KORDSA, INC.	)	DOCKET NO. 21-00094
FOR APPROVAL OF SPECIAL	)	
CONTRACT	)	
	)	

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CONSUMER ADVOCATE’S FIRST INFORMAL DISCOVERY REQUEST  
TO KORDSA

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This First Discovery Request is hereby delivered upon Kordsa Inc. (“Kordsa”) pursuant to Rules 26, 33, 34 and 36 of the Tennessee Rules of Civil Procedure and Tenn. Comp. R. & Reg. 1220-1-2-.11. The Consumer Advocate Unit in the Financial Division of the Office of the Attorney General (“Consumer Advocate”) requests full and complete responses be provided pursuant to the Tennessee Rules of Civil Procedure. The responses are to be produced at the Office of the Tennessee Attorney General and Reporter, Financial Division, Consumer Advocate Unit, John Sevier Building, 500 Dr. Martin L. King Jr. Blvd., Nashville, Tennessee 37243, c/o Rachel C. Bowen, on or before 2:00 p.m. (CDT), November 14, 2021.

**PRELIMINARY MATTERS AND DEFINITIONS**

1. **Continuing Request.** These discovery requests are to be considered continuing in nature and are to be supplemented from time to time as information is received by the Company and any of its affiliates which would make a prior response inaccurate, incomplete, or incorrect.
2. **Clear References.** To the extent that the data or information requested is incorporated or contained in a document, identify the document including page/line number if applicable.

3. **Format of Responses.** Provide all responses in the format in which they were created or maintained, for example, Microsoft Word or Microsoft Excel format with all cells and formulas intact and in working order. If a document (including without limitation a financial or other spreadsheet or work paper) is not created or maintained in Microsoft Excel format, convert the document to Microsoft Excel format or provide the document in a format that enables or permits functionality like or similar to Microsoft Excel (including without limitation the functionality of working cells and formulas), or provide the software program(s) that will enable the Consumer Advocate to audit and analyze the data and information in the same manner as would be enabled or permitted if the document were provided in Microsoft Excel format.

4. **Objections.** If any objections to this discovery are raised on the basis of privilege or immunity, include in your response a complete explanation concerning the privilege or immunity asserted. If you claim a document is privileged, identify the document and state the basis for the privilege or immunity asserted. If you contend that you are entitled to refuse to fully answer any of this discovery, state the exact legal basis for each such refusal.

5. **Singular/Plural.** The singular shall include the plural, and vice-versa, where appropriate.

6. **Definitions.** As used in this Request:

(a) “You,” “Your,” “Company,” or “Kordsa,” shall mean Kordsa, Inc. and all employees, agents, attorneys, representatives or any other person acting or purporting to act on its behalf.

(b) “Kordsa” shall mean Kordsa, Inc. and all employees, agents, attorneys, representatives or any other person acting or purporting to act on its behalf.

(c) “Affiliate” shall mean any entity who, directly or indirectly, is in control of, is controlled by, or is under common control with the Company. For greater clarification, “control” is the ownership of 20% or more of the shares of stock entitled to vote for the election of directors in the case of a corporation, or 20% or more of the equity interest in the case of any other type of entity, or status as a director or officer of a corporation or limited liability company, or status as a

partner of a partnership, or status as an owner of a sole proprietorship, or any other arrangement whereby a person has the power to choose, direct, or manage the board of directors or equivalent governing body, officers, managers, employees, proxies, or agents of another person. In addition, the term "Affiliate" shall mean any entity that directly or indirectly provides management or operational services to the Company or any affiliate (as defined in the preceding sentence) of the Company, or to which the Company provides management or operational services. Further, the payment of money to the Company or receipt by the Company of money from an entity with which the Company has any relationship, other than such payment or receipt, shall include the payor or recipient of such money as an "Affiliate."

(d) "Communication" shall mean any transmission of information by oral, graphic, written, pictorial or otherwise perceptible means, including but not limited to personal conversations, telephone conversations, letters, memoranda, telegrams, electronic mail, newsletters, recorded or handwritten messages, meetings and personal conversations, or otherwise.

(e) "Document" shall have the broadest possible meaning under applicable law. "Document" shall mean any medium upon which intelligence or information can be recorded or retrieved, such as any written, printed, typed, drawn, filmed, taped, or recorded medium in any manner, however produced or reproduced, including but not limited to any writing, drawing, graph, chart, form, letter, note, report, electronic mail, memorandum (including memoranda, electronic mail, report, or note of a meeting or communication), work paper, spreadsheet, photograph, videotape, audio tape, computer disk or record, or any other data compilation in any form without limitation, which is in your possession, custody or control. If any such document was, but no longer is, in your possession, custody or control, state what disposition was made of the document and when it was made.

(f) "Person" shall mean any natural person, corporation, firm, company, proprietorship, partnership, business, unincorporated association, or other business or legal entity of any sort whatsoever.

(g) "Identify" with respect to:

- i. Any natural person, means to state the full name, telephone number, email address and the current or last known business address of the person (if no business address or email address is available provide any address known to you) and that person's relationship, whether business, commercial, professional, or personal with you;
- ii. Any legal person, business entity or association, means to state the full name, the name of your contact person with the entity, all trade name(s), doing business as name(s), telephone number(s), email address(es), and current or last known business

address of such person or entity (if no business address is available provide any address known to you);

- iii. Any document, means to state the type of document (e.g., letter), the title, identify the author, the subject matter, the date the document bears and the date it was written; and
  - iv. Any oral communication, means to state the date when and the place where it was made, identify the person who made it, identify the person or persons who were present or who heard it, and the substance of it.
- (h) “And” and “or” shall be construed conjunctively or disjunctively as necessary to make the discovery request inclusive rather than exclusive.
- (i) “Including” shall be construed to mean including but not limited to.

**FIRST INFORMAL DISCOVERY REQUESTS**

- 1-1. Refer to Exhibit A of the *Joint Request of Chattanooga Gas Company and Kordsa, Inc. for Approval of Special Contract* (“Joint Request”) (publicly filed version) regarding Kordsa’s Election of Service statement. The Election of Service statement provides for interruptible transportation service with only 10 dth/day of firm requirement. Explain Kordsa’s rationale for a nominal firm requirement of 10 dth/day.

**RESPONSE:**

Kordsa has heating and cooling requirements, estimated to be no more than 10 dth/day, for which there is no back-up fuel.

- 1-2. Refer to Exhibit A of the Joint Request (publicly filed version) regarding Kordsa's Election of Service. The Election of Service appears to be unsigned. Provide either an executed Election of Service statement or an explanation for why such an executed statement is not appropriate.

**RESPONSE:**

The Election of Service agreement simply states that Kordsa will purchase CGC's tariffed services and pay the tariffed rates. The tariffed rates are binding on both parties whether or not an Election of Service agreement is signed.



- 1-3. Refer to Paragraph 3 of the Negotiated Contract included as Exhibit 1 of the Joint Request (publicly filed version). Provide the source and support for Kordsa's maximum daily requirement cited in this paragraph.

**RESPONSE:**

The estimate is based on the maximum daily amount of gas that Kordsa can use in its manufacturing process and is determined by the capacity of Kordsa's manufacturing equipment.

- 1-4. Refer to Paragraph 4 of the Negotiated Contract included as Exhibit 1 of the Joint Request (publicly filed version). Provide a narrative explanation of the Company's backup facilities and processes that are used when gas transportation and supply is interrupted.

**RESPONSE:**

On occasion, perhaps once every three years, Kordsa's gas supply is interrupted and Kordsa switches to diesel fuel which is stored on site.

1-5. Refer generally to Pages 1 and 2 of the direct testimony of Kordsa witness Ben Gibson where he describes his responsibilities and duties.<sup>1</sup> Does Mr. Gibson have sole authority to commit Kordsa to an approximate \$1.5 million capital construction project for a bypass pipeline, or does he depend on others within the Company for this authority? If Mr. Gibson does not have this authority, then explain who in the Company has this authority along with their affirmation for this capital construction expenditure for a pipeline bypass.

**RESPONSE:**

Ben Gibson is part of Kordsa's management team and reports directly to the COO for North and South America. Kordsa's management has made the decision to go forward with the bypass project if the special contract is not approved. The money for the project was included in the budget for the Chattanooga plant. Kordsa is an international company, headquartered in Turkey. Kordsa's management has not yet requested approval of the project by the corporate board in Turkey.

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<sup>1</sup> *Direct Testimony of Ben Gibson on Behalf of Kordsa, Inc.*, pp. 1-2, TPUC Docket No. 21-00094 (Sept. 3, 2021).

- 1-6. Provide a copy of the ratification and approval by Kordsa's board of directors for the authorization of approximately \$1.5 million capital expenditure for the construction of a bypass pipeline.

**RESPONSE:**

See Response to Question 1-5.

- 1-7. Refer to Page 5 of the direct testimony of Kordsa witness Ben Gibson where he states the following:

Kordsa then obtained the necessary easements (see Exhibit 2) and received confirmation from East Tennessee Natural that a tap would be provided at Kordsa's requested location.<sup>2</sup>

Provide the following information related to the Company's plan to connect Kordsa directly to East Tennessee Natural Gas Pipeline (ETNG):

- a. Provide a copy of the contract (draft or final) between Kordsa and East Tennessee Natural Gas Pipeline;
- b. Provide a copy of the "confirmation" from East Tennessee Natural that a tap would be provided at Kordsa's requested location;
- c. Provide all communication between Kordsa, its parent company and its affiliates with East Tennessee Natural Gas Pipeline and its affiliates regarding a tap to supply Kordsa's plant in Chattanooga;
- d. Indicate whether the contract between Kordsa and East Tennessee Natural Gas Pipeline calls for firm or interruptible delivery of gas;
- e. If the contract between Kordsa and East Tennessee Natural Gas Pipeline calls for interruptible delivery of gas, then provide a narrative description of Kordsa's backup facilities along with the cost of these facilities; and
- f. Provide an ETNG map showing the precise location of the proposed tap on the pipeline.

**RESPONSE:**

Kordsa is in the "secondary market" and will contract with a gas shipper, not East Tennessee, for the delivery of gas to the city gate. The attached email confirms that East Tennessee will provide Kordsa a tap. The attached map shows the location of the tap. The bypass route is shown in yellow and labeled as Route #2.

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<sup>2</sup> Direct Testimony of Ben Gibson on Behalf of Kordsa, Inc. at p. 5.

**Walker, Henry**

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**From:** Walker, Henry  
**Sent:** Thursday, October 14, 2021 10:20 AM  
**To:** Walker, Henry  
**Subject:** FW: confirmation of Service

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**From:** Robert Wallace [<mailto:Robert.Wallace@enbridge.com>]  
**Sent:** Monday, May 24, 2021 2:58 PM  
**To:** Earl Burton <[earl.burton@aeedinc.com](mailto:earl.burton@aeedinc.com)>  
**Cc:** Ross Bunting <[Ross.Bunting@enbridge.com](mailto:Ross.Bunting@enbridge.com)>  
**Subject:** KordSA Tap Confirmation

Earl..... After discussion with Ross and based upon the information provided in the attached New Facility Request form; this email serves as confirmation that East Tennessee Natural Gas can provide a tap/interconnect at the approximate location indicated for KordSA. Thanks

Robb Wallace  
Project Coordinator  
Engineering Interconnects  
Assigned to: Enbridge  
Employee of: Frontier Integrity Solutions (FIS)

ENBRIDGE  
CELL: 713-201-1387 | [Robert.Wallace@enbridge.com](mailto:Robert.Wallace@enbridge.com)  
6433 South FM 565, Baytown, TX. 77523

[enbridge.com](http://enbridge.com)  
Safety. Integrity. Respect.

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# NEW FACILITIES REQUEST FORM

Date: June 7, 2019

Please Complete and return to: NAME@spectraenergy.com

Complete Information of Interconnect Entity (The "Requestor")

Legal Name:	KordSA Inc.
Address:	4501 N Access Rd, Chattanooga, TN 37415
Phone:	(866) 421-2777
Fax:	

Primary business of Requestor for this Interconnect. Check applicable box below:

☐ Producer
 ☐ LDC
 ☐ Interstate Pipeline
 ☐ Intrastate Pipeline
 ☒ Other/Explain: Industrial natural gas user

Where the Facilities Agreement is to be sent to:

Company: KordSA, Inc.

Attention: Mr. Chance Donahue

4501 N Access Rd, Chattanooga, TN 37415

Phone: 423-643-2746

Type of Interconnect – Check One

☐ Bi-Directional
 ☒ Receipt to Co.
 ☐ Delivery from Co.
 ☐ Existing Interconnect

Transportation Service (Type of Service) – Check One:

☐ Firm
 ☐ Interruptible
 ☒ TBD

Previously Nominated on:

☒ Yes
 ☐ No

Utilizing an Agent for Nomination?

☒ Yes
 ☐ No

If yes, supply contact information for agent below:

Company: Tennessee Energy Consultants

Agent: Mr. Earl Burton

Address: 408 McCallie Avenue, Chattanooga, TN 37402

Phone: 423-421-3732

Fax:

If Delivery:

Name of Pipeline Interconnecting to Company

LDC serving this area: Chattanooga Gas Company

Will LDC be bypassed by new delivery meter? ☒ Yes ☐ No

Requestor's Contact(s):

Name	Company/Department	Email Address	Phone	Fax
Earl Burton	Tennessee Energy Consultants	earl.burton@aeedinc.com	423-421-3732	
Rod Walker	Rod Walker & Associates Consultancy	rwalker@walkerconsultancy.com	706-244-0894	
Rod Walker	Rod Walker & Associates Consultancy	rwalker@walkerconsultancy.com	706-244-0894	

Commercial

Engineering

ROW

### NEW FACILITIES REQUEST FORM

Gas Sample Analysis Attached?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Liquids Anticipated?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Liquids Analysis Attached?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

NOTE: 2 PHASE SYSTEM – LIQUID SAMPLE ANALYSIS (INCLUDING GRAVITY, ACIDITY, SULFUR, PARAFFIN AND SOLIDS) MUST BE SUBMITTED FOR APPROVAL.

<b>If Receipt:</b>		
Name of Pipeline Interconnecting to Company (if different from Requestor):		
Operator:		
Producer:		
Gas Source:	Field Name:	Well Name:
NOTE: EXTENDED GAS SAMPLE ANALYSIS MUST BE SUBMITTED. FLOW WILL NOT BE PERMITTED UNLESS GAS MEETS COMPANY'S SPECIFICATIONS.		

VOLUME REQUIREMENTS			
Daily Range:		Peak Range:	
Maximum: 3000 Mcf/d	Maximum: 3000Mcf/d		
Normal: 2500 Mcf/d	2500		
Minimum: 2000 Mcf/d	Minimum: 2000 Mcf/d		
Future expansion anticipated?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Potential Volume:	
Pressure Requirements: Max: 500 psig		Min: 150 psig	

Anticipated in-service date for Interconnect:	October 2019
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PROPOSED INTERCONNECT LOCATION	REQUESTOR'S ANTICIPATED RIGHT OF WAY	
County: Hamilton	Length: 200'	Width: 200'
State: Tennessee		
Section:	Area: ~1 acre	
Latitude: 35.108650	Longitude: -85.251964	
X Coordinate:	Y Coordinate:	

<p style="font-size: x-small; margin: 0;"><u>Give a description and location of the proposed facilities and attach a sketch/map showing location of the proposed facilities.</u></p> <p style="margin: 5px 0 0 0;">KordSA is planning to construct a 3400' x 4" Steel pipeline from a tap location with ETNG to the existing meter location at the plant on North Access Road in Chattanooga, TN. See map below for location of the proposed facilities.</p>
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### Map of Potential Routes

Below is the map detailing the potential locations of the proposed pipeline.



Route #1 – Red/3,380Ft Route #2 – Yellow/3,400Ft Route #3 – Blue/3,880Ft

#### CERTIFICATION AS TO THE CORRECTNESS OF INFORMATION

Requestor acknowledges that the information furnished to Company as part of the interconnection process, including information in this form, may be used by Company to obtain local, state and federal regulatory and environmental approvals. Requestor certifies that the information provided herein is true and correct.

Name: Rod Walker

*Bob W.*

Signature:

Date: June 7, 2019

1-8. Refer to Page 6 of the direct testimony of Kordsa witness Ben Gibson where he states the following:

Our consultants and engineers estimated that the total annual cost of building and operating our own line would be approximately \$200,000 per year or a little less.<sup>3</sup>

Provide the source and support for the \$200,000 amount.

**RESPONSE:**

See attached spreadsheet from Tennessee Energy Consultants.

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<sup>3</sup> *Id.* at p.6.



- 1-9. Refer to the “Pipeline Feasibility Study” [sic] included as Exhibit 1 to Kordsa witness Ben Gibson’s testimony. Provide a copy of all workpapers of both Tennessee Energy Consultants and Rod Walker & Associates supporting this report.

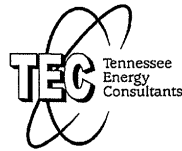
**RESPONSE:**

See Response to Question 1-13 for information from Rod Walker & Associates. See Response to Question 1-8 for information from Tennessee Energy Consultants.

1-10. Refer to the “Pipeline Feasibility Study” [sic] included as Exhibit 1 to Kordsa witness Ben Gibson’s testimony. Provide a copy of Kordsa’s contract with Tennessee Energy Consultants and Rod Walker & Associates along with all communications regarding the contract and its completion.

**RESPONSE:**

The contract between Kordsa and Tennessee Energy Consultants (“T.E.C.”) is attached. Rod Walker & Associates was hired by T.E.C. to prepare the Pipeline Feasibility Study for Kordsa.



100 E. 10th Street, Suite 401 • Chattanooga, TN 37405 • (423) 421-3752

Feb 22, 2019

Chance Donahue  
Kordsa  
4501 N. Access Rd.  
Chattanooga TN 37415

Dear Mr. Donahue

This is a letter of agreement for natural gas management and energy advisory services to Kordsa (Company) and Earl Burton dba Tennessee Energy Consulting (TEC). The scope of this agreement covers services for the Company's manufacturing facility located in Chattanooga TN.

TEC will advise Company in all areas related to natural gas utility and supply negotiations and transportation service under the direction of the Company. The objective is to lower the delivered cost by arranging competitive services, tracking of usage and costs, providing lower cost options, advising on regulatory issues of significance, and assisting management with the appropriate natural gas pricing strategy. TEC will review natural gas requirements at the Company's facility and will be familiar with all related issues on Company energy needs.

The following gas management services may be provided under this agreement:

- A. TEC will review the status of Company's existing contract and recommend a strategy for the possibility of an extension of special contract rates.
- B. TEC will review all sourcing opportunities for natural gas available to the Company including the possibility of sourcing gas from East Tennessee Pipeline in lieu of Southern Natural gas to reduce Ofo frequency.
- C. TEC will assist Company with negotiation of supply contract with potential gas suppliers.
- D. TEC will assist Company with sourcing other alternative supply on ofo days as negotiated with Chattanooga Gas in the latest rate case.
- E. TEC will manage natural gas balancing and sourcing to minimize natural gas costs for Company
- F. TEC will provide monthly pricing and savings from activities
- G. TEC will review and audit monthly supply invoices, verify payment approval, and request refunds.

Page 2  
Mr. Chance Donahue

- H. Monitor daily pricing and advise Company on reliability and supply options.
- I. Advise the Company in all regulatory and rate filings and make efforts to mitigate any potential changes that will increase energy costs for the Company

Services provided by TEC will be provide pursuant to the following fee schedule.

**Gas Advisory Fee Proposal**

TEC Hourly Rate	\$ .015 per dekatherm

TEC will be reimbursed for all travel expenses associated with activities directed by Company. (Travel outside of Chattanooga)

This agreement term is effective for an initial term of 12months, and after this term can be cancelled with 30 days notice.

Please feel free to call me at 423-421-3732, if you have any questions. I will be happy to provide you with a list of local references who are familiar with my professional abilities, character and integrity.

Sincerely,

Kordsa

Agreed,

Earl Burton P.E.  
Tennessee Energy Consulting

Name \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_



1-11. Refer to the “Pipeline Feasibility Study” [sic] included as Exhibit 1 to Kordsa witness Ben Gibson’s testimony. Provide a copy of all private and public easements required for all three alternative routes identified in the study in addition to the supplied copy of the public easement that was provided in Gibson Exhibit 2.

**RESPONSE:**

No easements other than the easement from the city are required for the route (Route #2) selected by Kordsa.

1-12. Refer to Page 11 of the “Pipeline Feasibility Study” [sic] included as Exhibit 1 to Kordsa witness Ben Gibson’s testimony regarding “Proposed Pipeline Cost Discussion” which reads in part as follows:

The pipeline can largely be constructed on public right-of-way with limited need for private easements regardless of the route selected. The largest single cost of the pipeline regardless of route option is the East Tennessee Natural Gas (ETNG) tap costs, which have been quoted at \$500,000 by ETNG representatives.

Provide the source and support for the \$500,000 ETNG tap cost amount.

**RESPONSE:**

See attached cost estimates for Tap Station provided by Rod Walker & Associates.

COST ESTIMATE FOR Tap Station - Customer M/R Set May 2019					
ITEM NO.	DESCRIPTION	QUANTITY	UNIT MEAS.	UNIT COST	TOTAL COST
MATERIALS					
1	4" Tap Station	1	LS	\$ 50,000.00	\$ 50,000.00
2	4" Customer M/R Set	1	LS	\$ 75,000.00	\$ 75,000.00
3	Odorizer	1	LS	\$ 40,000.00	\$ 40,000.00
		0		\$ -	\$ -
TOTAL MATERIALS					\$ 165,000.00
CONSTRUCTION SERVICES (LABOR)					
1	4" Regulator Station	1	LS	\$ 15,000.00	\$ 15,000.00
2	4" Meter Station	1	LS	\$ 15,000.00	\$ 15,000.00
3	Odorizer	1	LS	\$ 5,000.00	\$ 10,000.00
4	ETNG Tap Fee	1	LS	\$ 500,000.00	\$ 500,000.00
TOTAL CONSTRUCTION					\$ 540,000.00
GENERAL SERVICES					
1	Engineering / Mapping / Bid Management	1	LS	\$ 25,000.00	\$ 25,000.00
2	Construction Management/Monitoring	10	DAYS	\$ 1,000.00	\$ 10,000.00
3	Xray (1 Crew)	10	DAYS	\$ 1,000.00	\$ 10,000.00
4	Easement Acquisition	1	SQ Acre	\$ 15,000.00	\$ 15,000.00
TOTAL GENERAL SERVICES					\$ 60,000.00
SUB-TOTAL					\$ 765,000.00
20% CONTINGENCY					\$ 153,000.00
TOTAL					\$ 918,000.00
TOTAL COST ( MILES)					\$ 918,000

- 1-13. Refer to the "Invitation to Bid" document included as Exhibit 3 to Kordsa witness Ben Gibson's testimony and provide the following information:
- a. Identify the publications and publication dates where this "Invitation to Bid" was circulated.
  - b. Provide a copy of all bids received in response to the "Invitation to Bid."

**RESPONSE:**

1. The invitation to bid was published in the Chattanooga Times-Free Press on April 28, 2021.
2. Kordsa received three bids and chose the bid from Hiwassee Construction. A comparative analysis of the three bids is attached.

**Walker, Henry**

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**From:** Earl Burton <earl.burton@eedinc.com>  
**Sent:** Wednesday, October 13, 2021 10:26 AM  
**To:** Walker, Henry  
**Subject:** FW: Bypass Pipeline project contractor selection  
**Attachments:** RW&A KORDSA Bypass Pipeline Cost Estimate - Updated.xlsx; KORDSA Bypass Pipeline - Contractor bid comparison.xlsx

**CAUTION — EXTERNAL EMAIL**

Attached.

Earl. Probably just the first sheet. Has the breakdown. Earl.

Summary. This quote includes building the tap, so not using East tenn to build the tap. Earl

**From:** Jeremy Walker [mailto:jwalker@rwalkerconsultancy.com]  
**Sent:** Thursday, June 03, 2021 10:53 AM  
**To:** Ben Gibson <Ben.Gibson@kordsa.com>  
**Cc:** Chance Donahue <Chance.Donahue@kordsa.com>; Earl Burton <earl.burton@eedinc.com>; Amy Mohn <Amy.D.Mohn@kordsa.com>; Rod Walker <rwalker@rwalkerconsultancy.com>; Sam Walker <swalker@rwalkerconsultancy.com>  
**Subject:** Bypass Pipeline project contractor selection

Good morning all,

RW&A has completed our analysis of the three bids received for this project. After consideration of cost, qualifications, and suitability – we recommend that KORDSA award the contract for this project to Hiwassee Construction.

Please see the attached two files for a breakdown of the most critical data used for this analysis.

1. The Contractor bid comparison contains cost and reference information for each bid.
2. Updated cost estimate which provides a comparison between the bids and the original cost estimate for this project.

The updated project cost with Hiwassee's bid is \$1,682,127 and \$1,365,441 with Martin's bid. While Hiwassee's bid was slightly higher than Martin's bid, after consideration of other factors, our decision to choose Hiwassee is based on locality of the contractor, ability of contractor to work independently without heavy oversight, more flexible to meet project needs. The original cost estimate for this project was \$1,432,010. The primary drivers of the difference in cost are: Easement clearing, a slightly longer route, increase in cost of materials, and general inflation.

Thanks and talk soon,

Jeremy Walker



Rod Walker & Associates Consultancy

Director of Operations and Project Delivery – (706) 949-9633 (Cell)

[jwalker@rwalkerconsultancy.com](mailto:jwalker@rwalkerconsultancy.com) ♦ [www.rwalkerconsultancy.com](http://www.rwalkerconsultancy.com)

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UPDATED COST ESTIMATE SUMMARY June 2021		
4" Pipeline - Original Estimate		
1	Materials	\$ 86,674
2	Labor	\$ 186,600
3	Total Construction	\$ 273,274
4	General Services	\$ 155,068
5	Tap Station /Customer M/R Set	\$ 918,000
6	20% Contingency	\$ 85,668
TOTAL COST		\$ 1,432,010
4" Pipeline - Updated Estimate - Hiwassee Construction		
1	Materials	\$ 102,425
2	Labor	\$ 379,775
3	Total Construction	\$ 482,200
4	General Services	\$ 154,573
5	Tap Station /Customer M/R Set	\$ 918,000
6	20% Contingency	\$ 127,355
TOTAL COST		\$ 1,682,127
DIFFERENCE FROM ORIGINAL ESTIMATE		\$ 250,117
4" Pipeline - Updated Estimate - Martin Contracting		
1	Materials	\$ 123,339
2	Labor	\$ 286,428
3	Total Construction	\$ 450,000
4	General Services	\$ 154,213
5	Tap Station /Customer M/R Set	\$ 918,000
6	20% Contingency	\$ 112,868
TOTAL COST		\$ 1,635,441
DIFFERENCE FROM ORIGINAL ESTIMATE		\$ 203,430

\*all values rounded to the nearest whole dollar

- 1-14. Provide a listing, in chronological order, of the events from the time that Kordsa first considered the possibility of the bypassing the CGC distribution system until Kordsa concluded the negotiated contract. This list should show in detail, by date, a summary of what occurred with references as well as key oral and written communications that Kordsa had with CGC, East Tennessee Natural Gas, Tennessee Energy Consultants, Rod Walker & Associates and Kordsa affiliates regarding this application.

**RESPONSE:**

Kordsa does not have a chronological narrative of these events. In sum, Kordsa requested renewal of the Dupont contract. CGC declined to renew it. Kordsa retained T.E.C. to analyze the feasibility of bypass and hired an engineering firm to design the route of the bypass line. Kordsa obtained an easement from the city and selected a contractor to build the pipeline. At that point, CGC and Kordsa began negotiations for a special contract. These negotiations resulted in the contract filed with the Commission.



1-15. Refer to Page 4, Lines 9-11 of the direct testimony of CGC witness Ashley K. Vette where she discusses Kordsa's purchase of an easement. Also refer to Exhibit 2 (Easement Agreement) to the direct testimony of Kordsa witness Ben Gibson which reflects that the City of Chattanooga and Kordsa entered into an Easement Agreement on April 7, 2021, for the consideration of \$10 and "for other good and valuable consideration." Respond to the following:

- a. Did Kordsa give consideration other than \$10 for the purchase of the easement? If so, what was that consideration?
- b. What was the fair market value of the easement at the time of entering into the Easement Agreement?
- c. Will Kordsa have to purchase additional easements or property interests in order to construct the allegedly contemplated by-pass facility?

**RESPONSE:**

- a. Kordsa is a large employer and taxpayer in Chattanooga.
- b. Kordsa does not know the market value of the easement.
- c. No.

1-16. Refer to Page 4 of the direct testimony of CGC witness Ashley K. Vette where she states that in 2019, CGC denied entering into a special contract with Kordsa because “[a]t the time of discussions in 2019, CGC was unable to justify that these [four] criteria [set forth by the Commission] could be met.” What specific response did Kordsa receive from CGC when CGC turned down Kordsa’s offer to enter into a Special Agreement in 2019?

**RESPONSE:**

Kordsa asked CGC to extend the special contract between CGC and Dupont. CGC declined and said Kordsa would need to demonstrate that Kordsa was willing and able to bypass CGC and could hereby obtain gas more cheaply than by paying CGC’s tariffed transportation rate.

**IN THE TENNESSEE PUBLIC UTILITY COMMISSION  
AT NASHVILLE, TENNESSEE**

**IN RE:**

**JOINT REQUEST OF CHATTANOOGA  
GAS COMPANY AND KORDSA, INC.  
FOR APPROVAL OF SPECIAL  
CONTRACT**

**DOCKET NO. 21-00094**

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**RESPONSES OF KORDSA TO CONSUMER ADVOCATE'S  
SECOND INFORMAL DISCOVERY REQUESTS**

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**RESPONSES:**

- 2-1. Kordsa does not have a signed copy of an Election Service Agreement.
- 2-2. According to Kordsa, the company's equipment consists of three boilers that collectively use up to approximately 245 MM Btu/hour. Kordsa also has three dowtherm vaporizers that collectively use up to approximately 54 MM Btu/hour. The maximum daily usage in the proposed contract is based on historical and anticipated usage figures.
- 2-3. According to Kordsa, the capacity of the final oil tanks on site is 815,000 gallons. In the event that Kordsa's supply of natural gas is interrupted, which happens every few years, the plant switches to fuel oil. Kordsa does not have ready access to information about the age of the tanks.
- 2-4. There is no contract between Kordsa and East Tennessee for the construction of the tap station. The tap station will be built by a contractor hired by Kordsa. See Response 1-12 for the estimate provided by Rod Walker & Associates for the costs of obtaining a tap, building a tap station and adding equipment at Kordsa's meter (\$918,000). Combined with the bids for building the bypass line, the total cost of this project was estimated to be approximately \$1.5 million. See Response 1-13.

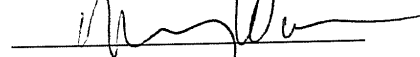
4883-5055-9233.3

- 2-5. Kordsa submitted a "New Facilities Request Form" and, in response, East Tennessee confirmed the availability of a tap. Both the request and the response have been provided. Kordsa is not aware of any other substantive communications between the two companies relevant to this project.
- 2-6. Based on Kordsa's experience and the experience of Tennessee Energy Consultants, an interruption of natural gas at the Kordsa plant rarely occurs, perhaps once every three to four years. Kordsa does not have any "analysis" of potential interruptions other than this information.
- 2-7. Kordsa does not have a system map of the ENTG system. The exact location of the tap is indicated by the survey information on the first map (Exhibit A) attached to the easement granted by the city and previously provided.
- 2-8. The figures shown in the chart supplied by Tennessee Energy Consultants are rough estimates from Mr. Earl Burton based on his experience advising Kordsa and other CGC customers. Kordsa has no supporting work papers from T.E.C. The total costs of the tap and pipeline are described in Response 2-14.
- 2-9. Additional workpapers from Rod Walker & Associates are described in Response 2-13.
- 2-10. There is no signed contract between T.E.C. and Kordsa.
- 2-11. See Exhibit 1, Rod Walker & Associates' proposal describing the work to be performed. There is no signed contract between T.E.C. and Rod Walker & Associates.
- 2-12. The final route of the pipeline was adjusted so that the only easement needed for this project was the easement to cross land owned by the city between the ETNG tap and land owned by Kordsa where the Kordsa wastewater plant is located. The easement from the city that runs between these two points is shown on the two maps (Exhibits A and B) attached to the city's easement and previously provided. The bypass line then goes north from the land

around the Kordsa wastewater plant, underneath North Access Road and ends at Kordsa's existing meter. The only easement needed is the one from the city.

- 2-13. See Exhibit 2, an email from Robb Wallace to Rod Walker concerning the ETNG tap fee. The cost estimates and analyses of the bids from Rod Walker & Associates have either already been provided or are included in Exhibit 2. Kordsa has no other workpapers from Rod Walker & Associates.
- 2-14. The total pipeline cost is approximately \$1.5 million as is shown on Response 1-8. This includes \$918,000 for the costs of paying for a tap, building a tap station and adding equipment to Kordsa's meter. See Response 1-12, 1-13, and 2-4.
- 2-15. A copy of the published invitation to bid that appeared in the Chattanooga Times-Free Press on April 28, 2021 is attached to the pre-filed testimony of Mr. Ben Gibson.
- 2-16. The three bids are attached as Exhibit 3.

RESPECTFULLY SUBMITTED,



Henry Walker (B.P.R. No. 000272)  
Bradley Arant Boult Cummings, LLP  
Roundabout Plaza  
1600 Division Street, Suite 700  
Nashville, TN 37203  
615-252-2363  
[hwalker@bradley.com](mailto:hwalker@bradley.com)

*Attorneys for Kordsa, Inc.*

**Exhibit 1**

ROD WALKER & ASSOCIATES  
CONSULTANCY

April 21, 2019

Mr. Earl Burton  
Tennessee Energy Consultants  
408 McCallie Ave  
Chattanooga, TN 37402

Subject: Proposal – Natural Gas By-Pass Study

Dear Mr. Burton:

Rod Walker & Associates Consultancy (RW&A) is pleased to submit this proposal to Tennessee Energy Consultants (TEC) to provide Professional Services in support of a Natural Gas By-Pass Study (the Project) for an Industrial customer in east Tennessee. This proposal is based on our recent conversations with you and our experience in providing similar services to other clients.

**PROJECT DESCRIPTION**

Tennessee Energy Consultants (TEC) and the Industrial customer desire the services of an outside consultant to provide a high-level review of the gas supply options for an Industrial client to by-pass the local gas distribution company, which currently provides gas service to receive gas directly from the nearest pipeline with capacity to serve the Industrial client's gas supply needs.

**PROJECT SCOPE AND OBJECTIVES**

RW&A will provide professional services to provide a high level review of the gas supply options to physically by-pass the local natural gas distribution company currently serving an Industrial client and provide gas service directly from the nearest pipeline with sufficient capacity.

Objectives of the Project include:

- Review gas supply needs of the Industrial client (loads, delivery pressures, etc.)
- Identify nearest pipeline(s) with sufficient capacity to serve the Industrial client
- Identify potential route(s) from pipeline to Industrial client

- Develop Initial high-level cost estimate/schedule of gas facilities needed for by-pass
- Initial field review to determine constructability of new gas facilities, potential constraints
- Provide Summary Report of data and analysis of by-pass study

To meet the Project Scope and Objectives, RW&A recommends the following Project Approach:

#### PROJECT APPROACH

The steps that RW&A will take to accomplish the work defined in the Scope are:

1. Project Kick-Off Call/Data Request
2. Identify Potential Pipelines for By-Pass
  - Review public data i.e. National Pipeline Mapping System, pipeline web sites to identify nearest pipeline to Industrial client with sufficient capacity to serve gas supply needs.
  - Review Industrial client data on gas supply needs i.e. min/max loads, delivery pressures, process specific needs, daily load duration times, interruptible service, etc.
  - Field review of potential pipeline tap locations.
  - Field review of connection of new gas line to industrial client location.
3. Identify potential routes for by-pass
  - Review public data i.e. Google maps, National Pipeline Mapping System to determine best desktop route options to serve Industrial client.
  - Select best potential route(s)
  - Conduct initial field review to determine route(s) constructability, constraints
  - Develop initial map of best route(s) to serve Industrial client
4. Develop high-level budget cost estimate/schedule
  - Develop by-project cost estimate for new gas facilities
    - Pipeline interconnection tap fees and facilities
    - Gas pipeline from tap to Industrial client location
    - Easement/Permitting costs
    - Gas metering/regulating costs at Industrial client location
    - List typical gas operations & maintenance tasks and annual costs
    - Other potential project costs.
5. Develop Report
  - Summary report (1-2 page overview)



- Map of potential routes
- High-level cost estimate
- High-level project schedule

As discussed with TEC, RW&A has performed a number of similar projects to assist clients to evaluate by-pass options for gas supply to serve clients currently served by local natural gas distribution companies near to pipelines of sufficient capacity to serve directly. Our clients are well informed on budget performance, scope prosecution, scope exceptions, ongoing analysis, and engagement timing. Such routine informational calls will be part of this engagement with on a weekly or bi-weekly basis as needed.

RW&A is well versed to provide the Professional Services to TEC necessary to prosecute the project scope, objectives, approach and tasks needed to successfully help the Industrial client identify and evaluate its natural gas supply by-pass options including costs, timeframes.

#### PROJECT TEAM

In order to meet the Project Schedule, RW&A is proposing an engagement team composed of the following professionals experienced in similar assignments:

##### Rod Walker – Senior Consultant / Project Manager

Rod is an industry executive who brings thirty-two years of technical expertise and business acumen combined with executive management experience to lead organizations and serve as a trusted advisor to clients in the energy industry domestically and worldwide.

His breadth of experience in the energy industry combined with his engineering background and management consultancy work allows him to provide strong leadership to help organizations find solutions that meet business and technical objectives. Related to this project specifically, Mr. Walker has significant experience with all aspects of engineering planning, feasibility studies, design, construction, operations and maintenance of natural gas infrastructure as well as performing by-pass studies to identify gas supply options costs and timeframes.

Mr. Walker currently serves as CEO & President of Rod Walker & Associates, a management consultancy firm focused on Helping Companies Perform Better. The Consultancy is a unique approach to consulting providing the best management consultants across the country in a consortium approach which allows the best of a large consulting firm with the flexibility and independence of smaller firms.

##### Jeremy Walker – Project Analyst

Jeremy has experience working in the industry on various projects in the role of an analyst— with the most recent being serving as part of the Independent Review Team (RW&A and Los Alamos National Lab) for the 2016 & 2017 review of SoCalGas' Hydraulic Modeling for Natural Gas Reliability in California, Organizational Assessment for Philadelphia Gas Works (PGW) and a Risk Assessment for Lake Apopka Natural Gas (LANGD). Jeremy has previous experience in business development, operations management and organizational systems with a service & inspection firm. Currently, Jeremy operates several small businesses providing products and services in several different industries including ZEscape, an escape room business located in Marietta, Georgia.

#### SCHEDULE

RW&A is prepared to support this project immediately upon notice to proceed. We are ready to discuss specific scheduling at your convenience and will make every effort to be responsive to your needs and time constraints. The schedule proposed is with the recognition that our proposal is based on the timely receipt of Project data, documents, and information as described in Scope above. Delayed receipt of project information, data, and documents may impact the overall schedule duration. Based on experience with similar projects, we expect the work to be completed in the timeframe listed below to meet the timeframes discussed previously.

#### Proposed Project Schedule

- Week of April 22, 2019
  - Project Notice to Proceed
  - Kick off Conference Call/Initial Data Request
  - Desktop Review
- Week of April 29, 2019
  - On-site Project Review
  - Complete analysis of gas supply options, costs, timeframes
  - Begin Report
- Week of May 13, 2018
  - Finalize Report

#### ADDITIONAL SERVICES

RW&A can supply additional services related to the Project for next steps including:

- Engineering Design-Gas Facilities
- Easement Acquisition/Permitting Support
- Regulatory Submissions/Compliance
- Construction Bid Package Preparation/Contractor Selection
- Construction Management
- Project Commissioning
- Operations and Maintenance Manuals & Procedures
- Annual Operations and Maintenance Field Support

#### BUDGET

RW&A proposes to perform the scope of services on a time and materials basis. In consideration of the project information provided by TEC, coupled with our understanding of the Project, and similar projects previously performed, RW&A has developed an estimate of \$5,000 as a reasonable budget expectation which includes expenses for the initial project site visit. The hourly professional labor rates in the table below apply to professional and technical staff assigned to the engagement.

Professional	Hourly Professional rate
• Managing Director	\$290
• Senior Consultant	\$250
• Consultant	\$225
• Project Analyst	\$150
• Administrative Support	\$75

RW&A intends to be responsive to your project needs and provide outstanding service to Tennessee Energy Consultants. Should you require additional information to evaluate our proposal, or if there are any changes or modifications to this proposal that you would like us to consider, please contact Rod Walker at (706) 244-0894 or [rwalker@rwalkerconsultancy.com](mailto:rwalker@rwalkerconsultancy.com).

Thank you for the opportunity to present this proposal. On behalf of the Rod Walker & Associates team we look forward to providing these services for a successful conclusion and continuing excellent business relationship with Tennessee Energy Consultants.

Very truly yours,

Rod Walker & Associates



Rod Walker  
CEO & President  
Rod Walker & Associates  
+1 (706) 244-0894  
rwalker@rwalkerconsultancy.com

**Exhibit 2**

From: Robert Wallace <[Robert.Wallace@enbridge.com](mailto:Robert.Wallace@enbridge.com)>  
Date: Wednesday, June 12, 2019 at 8:43 AM  
To: Rod Walker <[rwalker@rwalkerconsultancy.com](mailto:rwalker@rwalkerconsultancy.com)>  
Cc: Earl Burton <[earl.burton@aeedinc.com](mailto:earl.burton@aeedinc.com)>, Sam Walker <[swalker@rwalkerconsultancy.com](mailto:swalker@rwalkerconsultancy.com)>, Ross Bunting <[Ross.Bunting@enbridge.com](mailto:Ross.Bunting@enbridge.com)>, Lela Marshall <[Lela.Marshall@enbridge.com](mailto:Lela.Marshall@enbridge.com)>  
Subject: RE: [External] New Facility Request - KordSA, Chattanooga TN

Hey Rod..... My name is Robb Wallace and I am the Project Coordinator for new Interconnects along our system in this area. Ross asked me to follow up with you regarding the new facility request for KordSA in Chattanooga, TN. Please note that ETNG can install the entire meter facility but we are unable to provide the distribution piping to the plant. Additionally, the custody meter station must be constructed adjacent to ETNG's pipeline as well. A ballpark estimate for an ETNG full build meter station is in the \$5MM range and would take approximately 9 - 12 months to complete. Alternatively though we do allow the connecting party to build and own the meter station facility and ETNG would install its minimum facilities consisting of the tap valve and our SCADA telemetry. The approximate cost of the ETNG minimum facilities are in the \$500K range. Please let me and Ross know if you need additional information or would like to discuss further to develop a formal project scope and estimate. We look forward to working with you. Thanks

Robb Wallace  
Project Coordinator  
Engineering Interconnects  
Assigned to: Enbridge  
Employee of: Frontier Integrity Solutions (FIS)  
---  
ENBRIDGE  
CELL: 713-201-1387 | [Robert.Wallace@enbridge.com](mailto:Robert.Wallace@enbridge.com)  
6433 South FM 565, Baytown, TX. 77523  
  
[enbridge.com](http://enbridge.com)  
Safety. Integrity. Respect.

Walker, Henry

From: Earl Burton <earl.burton@aeedinc.com>  
Sent: Wednesday, October 13, 2021 10:26 AM  
To: Walker, Henry  
Subject: FW: Bypass Pipeline project contractor selection  
Attachments: RW&A KORDSA Bypass Pipeline Cost Estimate - Updated.xlsx; KORDSA Bypass Pipeline - Contractor bid comparison.xlsx



Attached.

Earl. Probably just the first sheet. Has the breakdown. Earl.

Summary. This quote includes building the tap, so not using East tenn to build the tap. Earl

From: Jeremy Walker [mailto:jwalker@rwalkerconsultancy.com]  
Sent: Thursday, June 03, 2021 10:53 AM  
To: Ben Gibson <Ben.Gibson@kordsa.com>  
Cc: Chance Donahue <Chance.Donahue@kordsa.com>; Earl Burton <earl.burton@aeedinc.com>; Amy Mohn <Amy.D.Mohn@kordsa.com>; Rod Walker <rwalker@rwalkerconsultancy.com>; Sam Walker <swalker@rwalkerconsultancy.com>  
Subject: Bypass Pipeline project contractor selection

Good morning all,

RW&A has completed our analysis of the three bids received for this project. After consideration of cost, qualifications, and suitability – we recommend that KORDSA award the contract for this project to Hiwassee Construction.

Please see the attached two files for a breakdown of the most critical data used for this analysis.

1. The Contractor bid comparison contains cost and reference information for each bid.
2. Updated cost estimate which provides a comparison between the bids and the original cost estimate for this project.

The updated project cost with Hiwassee's bid is \$1,682,127 and \$1,365,441 with Martin's bid. While Hiwassee's bid was slightly higher than Martin's bid, after consideration of other factors, our decision to choose Hiwassee is based on locality of the contractor, ability of contractor to work independently without heavy oversight, more flexible to meet project needs. The original cost estimate for this project was \$1,432,010. The primary drivers of the difference in cost are: Easement clearing, a slightly longer route, increase in cost of materials, and general inflation.

Thanks and talk soon,

Jeremy Walker



**Rod Walker & Associates Consultancy**

Director of Operations and Project Delivery – (708) 949-8033 (Cell)

[jwalker@rwalkerconsultancy.com](mailto:jwalker@rwalkerconsultancy.com) • [www.rwalkerconsultancy.com](http://www.rwalkerconsultancy.com)

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UPDATED COST ESTIMATE SUMMARY		
June 10, 2019		
4" Pipeline - Original Estimate		
1	Materials	\$ 86,674
2	Labor	\$ 185,600
3	Total Construction	\$ 272,274
4	General Services	\$ 155,068
5	Tap Station /Customer M/R Set	\$ 918,000
6	20% Contingency	\$ 85,669
TOTAL COST		\$ 1,415,611
4" Pipeline - Updated Estimate - HiWaste Construction		
1	Materials	\$ 182,473
2	Labor	\$ 379,775
3	Total Construction	\$ 481,200
4	General Services	\$ 154,573
5	Tap Station /Customer M/R Set	\$ 918,000
6	20% Contingency	\$ 127,355
TOTAL COST		\$ 1,692,127
DIFFERENCE FROM ORIGINAL ESTIMATE		\$ 250,117
4" Pipeline - Updated Estimate - MWH Construction		
1	Materials	\$ 227,339
2	Labor	\$ 286,618
3	Total Construction	\$ 450,000
4	General Services	\$ 154,573
5	Tap Station /Customer M/R Set	\$ 318,000
6	20% Contingency	\$ 112,868
TOTAL COST		\$ 1,435,441
DIFFERENCE FROM ORIGINAL ESTIMATE		\$ 209,430

\*All values rounded to the nearest whole dollar

COST ESTIMATE FOR Tap Station - Customer M/R Set					
MMY 2019					
ITEM NO.	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL COST
MATERIALS					
1	4" Tap Station	1	LS	\$ 50,000.00	\$ 50,000.00
2	4" Customer M/R Set	1	LS	\$ 75,000.00	\$ 75,000.00
3	Odorizer	1	LS	\$ 40,000.00	\$ 40,000.00
		0		\$ -	\$ -
TOTAL MATERIALS					\$ 165,000.00
CONSTRUCTION SERVICES (LABOR)					
1	4" Regulator Station	1	LS	\$ 15,000.00	\$ 15,000.00
2	4" Meter Station	1	LS	\$ 15,000.00	\$ 15,000.00
3	Odorizer	1	LS	\$ 5,000.00	\$ 5,000.00
4	ETNG Tap Fee	1	LS	\$ 800,000.00	\$ 800,000.00
TOTAL CONSTRUCTION					\$ 835,000.00
GENERAL SERVICES					
1	Engineering / Mapping / Bid Management	1	LS	\$ 25,000.00	\$ 25,000.00
2	Construction Management/Monitoring	10	DAYS	\$ 1,000.00	\$ 10,000.00
3	Wray (1 Crew)	10	DAYS	\$ 1,000.00	\$ 10,000.00
4	Easement Acquisition	1	SQ.Acre	\$ 15,000.00	\$ 15,000.00
TOTAL GENERAL SERVICES					\$ 60,000.00
SUB-TOTAL					\$ 910,000.00
20% CONTINGENCY					\$ 182,000.00
TOTAL					\$ 1,092,000.00
TOTAL COST (MILES)					\$ 918,000



ORIGINAL COST ESTIMATE FOR 4" Steel Pipeline x 3,400 ft Route #1 May 2019					
ITEM NO.	DESCRIPTION	QUANTITY	UNIT MEAS.	UNIT COST	TOTAL COST
<b>MATERIALS</b>					
1	4" Steel Pipe, Epoxy Coated Grade "A52", 0.237" Wall Thk.	3400	LF	\$ 11.10	\$ 37,740.00
2	4" Cameron 6004 FP WaW Valves	2	UNITS	\$ 3,800.00	\$ 7,600.00
3	Misc. Pipe and Materials (10%)	1	LS	10%	\$ 4,534.00
<b>SUBTOTAL-PIPE</b>					
5	CP Equipment -Rectifier/Ground Bed	1	UNITS	\$ 20,000.00	\$ 20,000.00
6	Cathodic Protection Test Points	4	UNITS	\$ 1,000.00	\$ 4,000.00
7	Environmental Controls-Silt Fence	3400	LF	\$ 2.00	\$ 6,800.00
8	Environmental Controls-Other	2000	LF	\$ 3.00	\$ 6,000.00
<b>SUBTOTAL-OTHER</b>					
					\$ 36,800.00
<b>TOTAL MATERIALS</b>					\$ 86,674.00
<b>CONSTRUCTION SERVICES (LABOR)</b>					
1	Install 4" steel pipe (direct bury)	3000	LS	\$ 44.00	\$ 132,000.00
4	Install 4" steel pipe (zero)	400	LF	\$ 60.00	\$ 24,000.00
5	Install 4" Cameron 6004 FP WaW Steel Valves	2	UNITS	\$ 1,200.00	\$ 2,400.00
<b>SUBTOTAL-PIPE/VALVES</b>					
6	Install CP Equipment-Rectifier	1	UNITS	\$ 5,000.00	\$ 5,000.00
7	Install CP Equipment-Ground Bed	1	UNITS	\$ 7,000.00	\$ 7,000.00
8	Install CP Equipment-Test Points	4	UNITS	\$ 700.00	\$ 2,800.00
9	Install Environment Controls-Silt Fence	3400	LF	\$ 2.00	\$ 6,800.00
10	Install Environment Controls-Other	2000	LF	\$ 3.00	\$ 6,000.00
<b>SUBTOTAL-OTHER</b>					
					\$ 27,600.00
<b>TOTAL LABOR</b>					\$ 186,600.00
<b>TOTAL CONSTRUCTION</b>					
<b>GENERAL SERVICES</b>					
1	Engineering / Mapping / Bld Management	1	LS	\$ 50,000.00	\$ 50,000.00
2	Geotechnical Review/Surveying	1	LS	\$ 25,000.00	\$ 25,000.00
3	Construction Management/Monitoring	30	DAYS	\$ 1,000.00	\$ 30,000.00
4	Heavy (1 Crew)	30	DAYS	\$ 1,000.00	\$ 30,000.00
5	Construction Element	907.5	LF	\$ 2.96	\$ 2,689.36
6	Baseament Acquisition	1815	LF	\$ 2.96	\$ 5,378.72
7	Baseament Service Provider Cost/Legal Fees	1	LS	\$ 7,000.00	\$ 7,000.00
8	General Permitting	1	LS	\$ 5,000.00	\$ 5,000.00
<b>TOTAL GENERAL SERVICES</b>					
					\$ 155,068.08
<b>SUB-TOTAL</b>					\$ 428,342.08
<b>20% CONTINGENCY</b>					\$ 85,668.42
<b>TOTAL</b>					\$ 514,010.50
<b>SUMMARY</b>					
<b>COST PER FOOT</b>					\$ 22
<b>COST PER MILE</b>					\$ 117,098.93
<b>TOTAL COST ( MILES)</b>					\$ 514,010

Notes:  
 1) Budget level cost estimate based on costs for similar projects in the area  
 2) Unit costs from desktop review-no field review included by contractors providing info  
 3) Material costs are FOB Chattanooga Tennessee  
 4) Contingency based on level of design provided (high level)

<p align="center"> <b>UPDATED COST ESTIMATE - Hlwassee Construction</b>  <b>FOR</b>  <b>4" Steel Pipe (x 3,500 ft)</b>  <b>Route 12</b>  <b>June 2021</b> </p>					
ITEM NO.	DESCRIPTION	QUANTITY	UNIT MEAS.	UNIT COST	TOTAL COST
<b>MATERIALS</b>					
1	4" Steel Pipe, Epoxy Coated Grade "XS2", 0.237" Wall	3,500.00	LF	\$ 23.70	\$ 82,950.00
2	4" Cameron 600# FP WaW Valves	2.00	Units	\$ 6,250.00	\$ 12,500.00
3	4" Fittings 90°	5.00	Units	\$ 25.00	\$ 125.00
4	4" Fittings 45°	10.00	Units	\$ 25.00	\$ 250.00
<b>SUBTOTAL - PIPE</b>					\$ 95,775.00
5	Pipeline Markers	14.00	Units	\$ 20.71	\$ 290.00
6	Cathodic Protection Test Points	2.00	Units	\$ 50.00	\$ 100.00
7	Environmental Controls - Silt Fence	1,730.00	LF	\$ 2.00	\$ 3,460.00
8	Environmental Controls - Other	1,500.00	LF	\$ 2.00	\$ 3,000.00
<b>SUBTOTAL - OTHER</b>					\$ 6,850.00
<b>TOTAL MATERIALS</b>					\$ 102,415.00
<b>CONSTRUCTION SERVICES (LABOR)</b>					
1	Install 4" steel pipe (direct bury)	3500.00	LF	\$ 75.00	\$ 262,500.00
2	Install 4" steel pipe (bore)	250.00	LF	\$ 200.00	\$ 50,000.00
3	Install 4" Cameron 600# FP WaW Steel Valves	2.00	Units	\$ 1,125.00	\$ 2,250.00
<b>SUBTOTAL - PIPE/VALVES</b>					\$ 314,750.00
4	Install 4" 90°	5.00	Units	\$ 200.00	\$ 1,000.00
5	Install 4" 45°	10.00	Units	\$ 200.00	\$ 2,000.00
6	Install Pipeline Markers	14.00	Units	\$ 100.00	\$ 1,400.00
7	Install CP Equipment-Test Points	2.00	Units	\$ 500.00	\$ 1,000.00
8	Install CP Equipment-Test Points	3500.00	LF	\$ 3.00	\$ 10,500.00
9	Install Environment Controls-Silt Fence	2000.00	LF	\$ 3.00	\$ 6,000.00
10	Install Environment Controls-Other	1.61	Acres	\$ 26,785.71	\$ 43,125.00
<b>SUBTOTAL - OTHER</b>					\$ 65,025.00
<b>TOTAL LABOR</b>					\$ 379,775.00
<b>TOTAL CONSTRUCTION</b>					\$ 482,290.00
<b>GENERAL SERVICES</b>					
1	Engineering / Mapping / Bid Management	1	LS	\$ 50,000.00	\$ 50,000.00
2	Geotechnical Review/Surveying	1	LS	\$ 25,000.00	\$ 25,000.00
3	Construction Management/Monitoring	30	DAYS	\$ 1,000.00	\$ 30,000.00
4	Tray (1 Crew)	30	DAYS	\$ 1,000.00	\$ 30,000.00
5	Construction Easement	831	FT	\$ 3.04	\$ 2,524.21
6	Easement Acquisition	1662	FT	\$ 3.04	\$ 5,048.42
7	Easement Service Provider Costs/Legal Fees	1	LS	\$ 7,000.00	\$ 7,000.00
8	General Permitting	1	LS	\$ 5,000.00	\$ 5,000.00
<b>TOTAL GENERAL SERVICES</b>					\$ 154,572.63
<b>SUB-TOTAL</b>					\$ 636,772.63
<b>20% CONTINGENCY</b>					\$ 127,354.53
<b>TOTAL</b>					\$ 764,127.16
<b>SUMMARY</b>					
<b>COST PER FOOT</b>					\$ 226
<b>COST PER MILE</b>					\$ 1,193,666.09
<b>TOTAL COST (MILES)</b>					\$ 764,127

UPDATED COST ESTIMATE - Martin Contracting FOR 4" Steel Pipeline x 3,500ft Route #2 June 2021			
ITEM NO.	DESCRIPTION	QUANTITY	UNIT MEAS.
<b>MATERIALS</b>			
1	4" Steel Pipe, Epoxy Coated Grade "XS2", 0.237" Wall	\$ 3,500.00	LF
2	4" Cameron 600# FP WxW Valves	\$ 2.00	Units
3	4" Fittings 90°	\$ 5.00	Units
4	4" Fittings 45°	\$ 10.00	Units
<b>SUBTOTAL - PIPE</b>			
5	Pipeline Markers	\$ 14.00	Units
6	Cathodic Protection Test Points	\$ 2.00	Units
7	Environmental Controls - Silt Fence	\$ 1,730.00	LF
8	Environmental Controls - Other	\$ 1,500.00	LF
<b>SUBTOTAL - OTHER</b>			
<b>TOTAL MATERIALS</b>			
<b>CONSTRUCTION SERVICES (LABOR)</b>			
1	Install 4" steel pipe (direct bury)	3500.00	LF
2	Install 4" steel pipe (bore)	250.00	LF
3	Install 4" Cameron 600# FP WxW Steel Valves	2.00	Units
<b>SUBTOTAL - PIPE/VALVES</b>			
4	Install 4" 90°	5.00	Units
5	Install 4" 45°	10.00	Units
6	Install Pipeline Markers	14.00	Units
7	Install CP Equipment-Test Points	2.00	Units
8	Install Environment Controls-Silt Fence	3500.00	LF
9	Install Environment Controls-Other	2000.00	LF
10	Easement Clearing	1.61	Acres
<b>SUBTOTAL - OTHER</b>			
<b>TOTAL LABOR</b>			
<b>TOTAL CONSTRUCTION</b>			
<b>GENERAL SERVICES</b>			
1	Engineering / Mapping / Bld Management	1	LS
2	Geotechnical Review/Surveying	1	LS
3	Construction Management/Monitoring	30	DAYS
4	Xray (1 Crew)	30	DAYS

5	Construction Easement	831	FT
6	Easement Acquisition	1662	FT
7	Easement Service Provider Costs/Legal Fees	1	LS
8	General Permitting	1	LS
TOTAL GENERAL SERVICES			
SUB-TOTAL			
20% CONTINGENCY			
TOTAL			
SUMMARY			
COST PER FOOT			
COST PER MILE			
TOTAL COST ( MILES)			

UNIT COST	TOTAL COST
\$ 28.96	\$ 101,360.00
\$ 7,521.00	\$ 15,042.00
\$ 125.35	\$ 626.75
\$ 125.35	\$ 1,253.50
	\$ 117,028.75
\$ 57.25	\$ 801.50
\$ 126.35	\$ 252.70
\$ 1.00	\$ 1,731.25
\$ 2.35	\$ 3,525.00
	\$ 6,310.45
	\$ 123,339.20
\$ 41.55	\$ 145,437.50
\$ 66.00	\$ 16,500.00
\$ 845.00	\$ 1,690.00
	\$ 163,627.50
\$ 625.00	\$ 3,125.00
\$ 625.00	\$ 6,250.00
\$ 155.04	\$ 2,170.50
\$ 635.00	\$ 1,270.00
\$ 4.25	\$ 14,875.00
\$ 6.50	\$ 13,000.00
\$ 51,000.00	\$ 82,110.00
	\$ 122,800.50
	\$ 286,428.00
	\$ 450,000.00
\$ 50,000.00	\$ 50,000.00
\$ 25,000.00	\$ 25,000.00
\$ 1,000.00	\$ 30,000.00
\$ 1,000.00	\$ 30,000.00

\$	3.04	\$	2,524.21
\$	3.04	\$	5,048.42
\$	7,000.00	\$	7,000.00
\$	5,000.00	\$	5,000.00
		\$	154,572.63
		\$	564,339.83
		\$	112,867.97
		\$	677,207.80
		\$	200
			1057886.735
		\$	677,208

KORDSA - Contractor Reference notes				
Hwassee Construction				
Question	Chattanooga Gas	Wright Brothers (TDOT Sub) / Mitchell Simpson	Jones Brothers (TDOT Sub)	
1 Overall experience with dealing with this contractor in the past:				
- What went well?	Did not respond	Nothing but good things to say about Hwassee; show up and do their work; no baby sitting needed; performed multiple projects including several current projects.	Did not respond	
- Any issues?	Did not respond	none at all	Did not respond	
- Would you hire them again?	Did not respond	Yes	Did not respond	
2 Experience working with the superintendent listed for the KORDSA project:				
- Were Sergio Wong & Joey Carr the Supervisor & Welding Supervisor on the project for you?	Did not respond	Yes - excellent reference	Did not respond	
- What went well?	Did not respond	Worked with Sergio for 15 years - very good reference	Did not respond	
- Any issues?	Did not respond	all	Did not respond	
- Would you hire them again?	Did not respond	no	Did not respond	
3 Anything else about the Company/supervisors that would be good to know?	Did not respond	yes	Did not respond	
	Did not respond	n/a	Did not respond	

KORDSA - Contractor Reference notes			
Martin Conneally			
Question	Atmos	Delta Gas Co.	atmos ryan
1 Overall experience with dealing with this contractor in the past:	wide range of projects, poly and steel, 4" job that went well, rocky job, station rebuild jobs, site work.	With a set, clear standard martin preforms well with no issues.	really good, lots of work with them 30k feet next year for them.
- What went well?	unexpected things are easy to deal with with sean. issues are taken care right away with sean	everything was as expected	how they adapt and over come issues, and handle things quickly
- Any issues?	clean up, resto takes a little longer, but common issue with most contractor.	no issues	move stuff around alot, moved rock equipment before done with it. (limited rock Equipment)
- Would you hire them again?	actively working for atmos in KY,	on going contract, putting in 1 mile of 4" steel	yes sirrr
2 Experience working with the superintendent listed for the KORDSA project:			
- Were Patrick Edmon & Casey Shelf the project manager & foreman on the project for you?	worked with casey a good bit 6-7 jobs, really good guy, town replacement jobs, not much work with patrick	no personal experience with these employees	casey is amazing, top notch, best guy, heck of a guy, justin tucker project management ran smooth
- What went well?			on time, smooth
- Any issues?			no
- Would you hire them again?		yes	yes sir
3 Anything else about the Company/supervisor that would be good to know?	5 years with atmos, more and more work every year, ods good, pricing fair.	they are talented and will preform well	
KORDSA - Contractor Reference notes			

Chattanooga Gas		AGL	Southern Company
Question			
1	Overall experience with dealing with this contractor in the past:	Disregarded due to cost	
-	What went well?		
-	Any issues?		
-	Would you hire them again?		
2	Experience working with the superintendent listed for the KORDSA project: - Were William Shields & Charles Lawson the Superintendent & Foreman on the project for you?		
-	What went well?		
-	Any issues?		
-	Would you hire them again?		
3	Anything else about the Company/supervisors that would be good to know?		



KORDSA Bypass Pipeline Project - Bid Form Comparison						
Item No.	Description	Qty	Unit	Howard Construction	Wright Construction	Price/Unit
CONSTRUCTION MATERIALS						
1	4" Steel Pipe, Epoxy Coated Grade "X52", 0.237" Wall	3500.00	LF	\$ 82,950.00	\$ 101,360.00	\$ 106,645.00
2	4" Cameron 600# FP WxW Valves	2.00	Units	\$ 12,500.00	\$ 15,042.00	\$ 12,980.00
3	4" Fittings 90°	5.00	Units	\$ 125.00	\$ 626.75	\$ 343.75
4	4" Fittings 45°	10.00	Units	\$ 250.00	\$ 1,255.50	\$ 715.00
	SUBTOTAL - PIPE/FITTINGS:			\$ 95,825.00	\$ 118,282.25	\$ 120,683.75
5	Pipeline Markers	14.00	Units	\$ 290.00	\$ 801.50	\$ 3,010.00
6	Cathodic Protection Test Points	2.00	Units	\$ 100.00	\$ 252.70	\$ 1,330.00
7	Environmental Controls - Silt Fence	1730.00	LF	\$ 3,460.00	\$ 1,731.25	\$ 6,660.05
8	Environmental Controls - Other	1500.00	LF	\$ 3,000.00	\$ 3,525.00	\$ 6,975.00
	SUBTOTAL - OTHER:			\$ 6,850.00	\$ 6,310.45	\$ 17,975.05
	TOTAL MATERIALS:			\$ 102,675.00	\$ 124,592.70	\$ 138,658.80
CONSTRUCTION SERVICES (LABOR)						
1	Install 4" steel pipe (direct bury)	32501.00	LF	\$ 262,500.00	\$ 145,437.50	\$ 1,023,750.00
2	Install 4" steel pipe (bore)	2502.00	LF	\$ 50,000.00	\$ 16,500.00	\$ 88,750.00
3	Install 4" Cameron 600# FP WxW Steel	2.00	Units	\$ 2,000.00	\$ 1,690.00	\$ 88,750.00
4	Install 4" 90°	5.00	Units	\$ 1,000.00	\$ 3,125.00	\$ 9,000.00
5	Install 4" 45°	10.00	Units	\$ 2,000.00	\$ 6,250.00	\$ 8,500.00
	SUBTOTAL - PIPE/FITTINGS:			\$ 317,500.00	\$ 173,002.50	\$ 1,218,750.00
6	Install Pipeline Markers	14.00	Units	\$ 1,400.00	\$ 2,170.50	\$ 6,300.00
7	Install CP Equipment-Test Points	2.00	Units	\$ 1,000.00	\$ 1,270.00	\$ 900.00
8	Install Environment Controls-Silt Fence	3500.00	LF	\$ 10,500.00	\$ 14,875.00	\$ 14,525.00
9	Install Environment Controls-Other	2000.00	LF	\$ 6,000.00	\$ 13,000.00	\$ 9,600.00
10	Easement Clearing	1.61	Acres	\$ 43,125.00	\$ 82,110.00	\$ 38,406.55
	SUBTOTAL - OTHER:			\$ 62,025.00	\$ 113,425.50	\$ 69,731.55
	TOTAL MATERIALS			\$ 102,675.00	\$ 124,592.70	\$ 138,658.80
	TOTAL LABOR:			\$ 379,525.00	\$ 286,428.00	\$ 1,288,481.55
	TOTAL CONSTRUCTION:			\$ 482,200.00	\$ 411,020.70	\$ 1,427,140.35
	GRAND TOTAL:			\$ 482,200.00	\$ 411,020.70	\$ 1,427,140.35
	NOT TO EXCEED TOTAL AMOUNT:			\$ 482,200.00	\$ 450,000.00	\$ 1,585,000.00
Contingency:				0%	9.50%	11%
Cost per mile				\$ 727,433.14	\$ 678,857.14	\$ 2,331,085.71
Notes				*material price will change at time of construction to market price at that time		*numbers in red indicate corrections were made to math errors in bid form

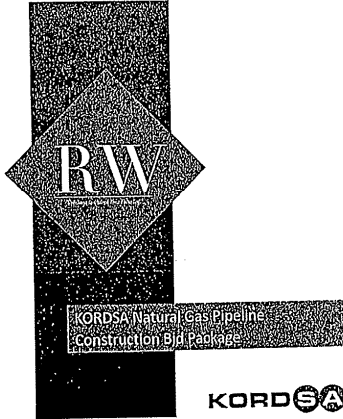
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Bid Form						
Item No.	Description	Qty	Units	Hivasse Construction	Martin Contracting	Hunter Utilities
<b>CONSTRUCTION MATERIALS</b>						
\$ 1.00	4" Steel Pipe, Epoxy Coated Grade "X52", 0.237" Wall	\$ 3,500.00	LF	\$ 81,950.00	\$ 101,360.00	\$ 106,645.00
\$ 2.00	4" Cameron 600# FP WaW Valves	\$ 2.00	Units	\$ 12,500.00	\$ 12,092.00	\$ 12,980.00
\$ 3.00	4" Fittings 90°	\$ 5.00	Units	\$ 125.00	\$ 626.75	\$ 343.75
\$ 4.00	4" Fittings 45°	\$ 10.00	Units	\$ 250.00	\$ 1,253.50	\$ 715.00
	<b>SUBTOTAL - PIPE/FITTINGS:</b>			\$ 95,825.00	\$ 118,282.25	\$ 120,683.75
\$ 5.00	Pipeline Markers	\$ 14.00	Units	\$ 290.00	\$ 801.50	\$ 3,010.00
\$ 6.00	Cathodic Protection Test Points	\$ 2.00	Units	\$ 100.00	\$ 252.70	\$ 1,330.00
\$ 7.00	Environmental Controls - Silt Fence	\$ 1,730.00	LF	\$ 3,460.00	\$ 1,731.25	\$ 6,660.05
\$ 8.00	Environmental Controls - Other	\$ 1,500.00	LF	\$ 3,000.00	\$ 3,525.00	\$ 6,975.00
	<b>SUBTOTAL - OTHER:</b>			\$ 6,850.00	\$ 6,310.45	\$ 17,975.05
	<b>TOTAL MATERIALS:</b>			\$ 107,675.00	\$ 124,592.70	\$ 138,658.80
<b>CONSTRUCTION SERVICES (LABOR)</b>						
\$ 1.00	Install 4" steel pipe (direct bury)	\$ 32,501.00	LF	\$ 262,500.00	\$ 145,457.50	\$ 1,023,750.00
\$ 2.00	Install 4" steel pipe (bore)	\$ 2,502.00	LF	\$ 50,000.00	\$ 16,500.00	\$ 88,750.00
\$ 3.00	Install 4" Cameron 600# FP WaW Steel Valves	\$ 2.00	Units	\$ 2,000.00	\$ 1,900.00	\$ 1,730.00
\$ 4.00	Install 4" 90°	\$ 5.00	Units	\$ 1,000.00	\$ 3,125.00	\$ 9,000.00
\$ 5.00	Install 4" 45°	\$ 10.00	Units	\$ 2,000.00	\$ 6,250.00	\$ 8,500.00
	<b>SUBTOTAL - PIPE/FITTINGS:</b>			\$ 317,500.00	\$ 173,002.50	\$ 1,218,750.00
\$ 6.00	Install Pipeline Markers	\$ 14.00	Units	\$ 1,400.00	\$ 2,170.50	\$ 6,300.00
\$ 7.00	Install CP Equipment-Test Points	\$ 2.00	Units	\$ 1,000.00	\$ 1,270.00	\$ 900.00
\$ 8.00	Install Environment Controls-Silt Fence	\$ 3,500.00	LF	\$ 10,500.00	\$ 14,875.00	\$ 14,525.00
\$ 9.00	Install Environment Controls-Other	\$ 2,000.00	LF	\$ 6,000.00	\$ 9,000.00	\$ 9,600.00
\$ 10.00	Easement Clearing	\$ 1.61	Acres	\$ 43,125.00	\$ 62,110.00	\$ 98,406.55
	<b>SUBTOTAL - OTHER:</b>			\$ 62,025.00	\$ 113,425.50	\$ 69,731.55
	<b>TOTAL LABOR:</b>			\$ 379,525.00	\$ 286,428.00	\$ 1,288,481.55
	<b>TOTAL CONSTRUCTION</b>			\$ 487,200.00	\$ 411,020.70	\$ 1,427,140.35
	<b>NOT TO EXCEED</b>			\$ 487,200.00	\$ 450,000.00	\$ 1,485,000.00

**Exhibit 3**

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## Project Overview

### Introduction

KORDSA ("KORDSA", "Owner") engages in the innovative, reliable, and safe production of tire and construction reinforcement and composites in 12 facilities throughout 5 countries. KORDSA has a need for the construction of a bypass pipeline which will service the KORDSA plant in Chattanooga, Tennessee. This Invitation to Bid ("ITB") is for a natural gas construction project focused on the installation of a new supply line from the nearby East Tennessee natural Gas (ETNG) transmission line to KORDSA's manufacturing plant on Access Road in Chattanooga, Hamilton County, Tennessee.

Rod Walker & Associates Consultancy ("RW&A", "Owner's Representative") is acting as the owner's representative for this project and will be the liaison between contractors and KORDSA.

The project consists of the design and construction of approximately 3500' of 4" steel pipeline on a combination of private easement, public right-of-way and KORDSA property. A tap station will be built on an approximately 30'x50' parcel of land at the location of the tap off the ETNG Pipeline consisting of a tap, valve, meter/regulator station and odorizer. A customer meter/regulator station will be constructed near the site of the existing KORDSA gas meter set location and tied into the plant's gas piping system.

This work generally includes open-cut or HDD install of 4" pipe across a pre-determined route chosen by RW&A.

This ITB is for the construction of the pipeline, all necessary work and fittings, but does not include the construction of a tap on the transmission line or installation of the meter set at the plant.

Interested parties may submit sealed bids with an original signature no later than Friday May 21<sup>st</sup>, 2021, 5:00 p.m. local time addressed to:

Rod Walker & Associates Consultancy, Inc.

Attn: Jeremy Walker

99 Walnut St. Suite 503

Chattanooga, TN 37403

Parties will also submit one additional electronic copy of their bid no later than May 21<sup>st</sup>, 2021, 5:00p.m. to:

Jeremy Walker

[jwalker@rwalkerconsultancy.com](mailto:jwalker@rwalkerconsultancy.com)

Any questions concerning the bid should be addressed in writing and submitted to:

Jeremy Walker

[jwalker@rwalkerconsultancy.com](mailto:jwalker@rwalkerconsultancy.com)

KORDSA reserves the right to accept or reject any or all bids, to waive any bid formalities and to re-advertise for bids when deemed in the best interest of KORDSA.

#### Schedule

1. Notification of Interest must be received by April 30, 2021 at 5:00 P.M. local time. Specifications, Instructions, and bid forms may be obtained by registering your interest at [www.rwalkerconsultancy.com/kordsa](http://www.rwalkerconsultancy.com/kordsa).
2. An on-site pre-bid meeting will be conducted May 12, 2021, at 9:00 A.M., local time at a location that will be communicated to interested parties. This meeting is not mandatory; however, attendance by a representative of interested parties is strongly encouraged. The following guidelines from the CDC will be adhered to by RW&A and KORDSA representatives and apply to all attendees of this meeting:
  - Interested bidders should not attend if they have tested positive for COVID-19 or are showing COVID-19 symptoms.
  - Interested bidders should not attend if they have had a close contact with a person who has symptoms of COVID-19 within the past 14 days.
  - Attendees will wear a protective face covering in accordance with CDC guidelines.
  - Attendees will make an effort to maintain proper physical distance between other attendees and avoid physical contact in accordance with CDC guidelines.
  - More details can be found here: [cdc.gov/coronavirus/2019-ncov/community/large-events/considerations-for-events-gatherings](https://cdc.gov/coronavirus/2019-ncov/community/large-events/considerations-for-events-gatherings)
3. Friday May 21, 2021 at 5:00 P.M., local time: Deadline for electronic bid submissions
  - Physical, signed copies to be postmarked by this date.
4. May 28<sup>th</sup>, 2021 by 5:00 P.M., local time: Notification of Award of contract shall be delivered by email to all parties submitting a bid. Contracting process will begin with contract award winner.
5. March 24<sup>th</sup>, 2021: Permitting/Top Location Easement/Application work to begin.
6. August 2<sup>nd</sup>, 2021: Pipeline construction to begin [Top & meter construction to occur in parallel].
7. October 29<sup>th</sup>, 2021: Target completion of construction.

#### Instructions to Bidders & Bid Documents

To ensure acceptance, all bidders submitting bids to KORDSA shall be governed by the following general bid instructions, attached specifications, and bid form(s) unless otherwise specified. Bids not submitted on the bid form(s) provided shall be rejected, and bids not complying with these conditions will be subject to rejection.

1. Interested Parties: All interested parties shall register their interest within fourteen days of the deadline for bid submission by email to Rod Walker ([rwalker@rwalkerconsultancy.com](mailto:rwalker@rwalkerconsultancy.com)). This registration will allow communication of addendums or other pertinent critical information.



2. **Award of Contract:** Award of contract is done on a cost, qualifications, and suitability basis and will be contingent on the bidder meeting all conditions and requirements of the specifications.
3. **Notice of Award:** The successful bidder will be notified in writing once selected according to the schedule. Unsuccessful Bidders will also be notified at the same time.
4. **Bid Withdrawals:** No bid may be withdrawn after closing time for receipt of bids for a period of sixty (60) days thereafter. The contract award shall be legally binding at the time of award by KORDSA.
5. **Exceptions to Specifications:** During the drafting of written specifications, a sincere effort is made to describe materials and services best suited to the needs of the project and KORDSA; however, in order that consideration be given in evaluating bids, any exceptions to or deviations from the specifications as written must be noted and fully explained. KORDSA is the final authority in determining the acceptability of any exceptions to specifications.
6. **Governing Law:** The laws of the State of Tennessee shall be the laws applied in the resolution of any action, claim or other proceeding arising out of this contract.
7. **Interpretations:** All questions concerning the interpretation of specifications or conditions shall be directed in writing to the Owner's Representative, or as instructed on the Invitation to Bid Page, at least seven days prior to the bid submittal deadline. Inquiries must reference the specific item(s) in question. If necessary, Interpretations will be made in the form of an addendum sent to all registered interested parties as defined.
8. **Legal Requirements:** All applicable provisions of Federal, State, County, and local laws including all ordinances, rules, and regulations shall govern the development, submittal, and evaluation of all bids received in response to these specifications and shall govern any and all claims between person(s) submitting a bid response hereto and KORDSA by and through its officers, employees and authorized representatives. A lack of knowledge by the bidder concerning any of the aforementioned shall not constitute a cognizable defense against the legal effect thereof. The Bidder agrees that it will not discriminate on the basis of race, creed, color, national origin, sex, age or disability.
9. **Licenses, Registration and Certificates:** Each bidder shall possess at the time of submitting its bid all licenses, registrations and certificates necessary to engage in the business of contracting (or special contracting if the work to be performed necessitates a particular type of specialty contractor) in the relevant geographical regions in which the work is to be performed. Bidder must also possess all licenses, registrations and certificates necessary to comply with federal, state and local laws and regulations.
10. **Mistakes:** Bidders are expected to examine the conditions, scope of work, proposal prices, extensions, and all instructions pertaining to the item(s) or service(s) involved. Failure to do so will be at the bidder's risk. Unit prices bid will govern in award.
11. **Payment of Invoices:** KORDSA issues checks for payment of invoices on the 25th of each month. Summary of work completed, and a correct invoice must have been received by KORDSA or its representative prior to the 5th of the month in order to be paid that month. Item(s) or service(s) unable to be verified before 5th will be processed in the following month. Unless alternate arrangements are agreed upon, physical checks will be mailed to the address provided by bidder.



Rod Walker & Associates Consultancy



12. **Permits and Taxes:** The bidder shall procure all permits, pay all charges, fees, and taxes, and give all notices necessary and incidental to the due and lawful prosecution of the work. This shall include any use of streets fees for equipment and material transport if necessary.
13. **Prevailing Party Attorney's Fees:** The prevailing party in any action, claim or proceeding arising out of this contract shall be entitled to attorney's fees and costs from the losing party.
14. **Project Representative:** Owner's Representative will assign an individual who will be the primary liaison between Contractor, supervisory staff, subcontractors, and other field staff.
15. **Protests:** Protests of the plans, specifications, and other requirements of bids and requests for proposals must be received in writing by RW&A at least ten business days prior to the scheduled bid submittal deadline. A detailed explanation of the reason for the protest must be included. Protests of the award or intended award of bid or contract must be in writing and received by RW&A within five business days of the notice of award. A detailed explanation of the protest must be included.
16. **Rejection of Bids:** RW&A and KORDSA reserve the right to accept or reject any or all bids, to waive any minor bid irregularities, technicalities, or informalities, and to re-advertise for bids when deemed in the best interest of KORDSA.
17. **Sealed Bids:** The specifications and all executed bid forms must be submitted in a sealed envelope. All bids must be signed by an authorized representative of the bidder. The face of the sealed envelope shall be plainly marked identifying the bidder, the item(s) or service(s) bid and the project name. It shall be the sole responsibility of the bidder to assure receipt of bid prior to the published time for the bid submittal deadline. No bid will be accepted after closing time for receipt of bids, nor will any offer by telephone, fax, Internet, or email be accepted (other than an electronic copy of the bid as described herein).
18. **Termination for Convenience:** A contract may be terminated in whole or in part by KORDSA at any time and for any reason in accordance with this clause whenever KORDSA shall determine that such termination is in the best interest of KORDSA. Any such termination shall be effected by the delivery to the contractor at least thirty (30) business days before the effective date of a Notice of Termination specifying the extent to which performance shall be terminated and the date upon which termination becomes effective. An equitable adjustment in the contract price shall be made for the completed service, but no amount shall be allowed for anticipated profit on unperformed services.
19. **Venue:** Venue for any claim, action or proceeding arising out of this contract shall be in the city of Chattanooga, TN.



Bid Form					
Item	Description	Quantity	Unit	Unit Price	Total Price
1	4" Steel Pipe, Epoxy Coated Grade "X52", 0.237" Wall	3500	LF	\$ 23.70	\$ 82,950
2	4" Cameron 600# FP WxW Valves	2	Units	\$ 6,250.00	\$ 12,500.00
3	4" Fittings 90°	5	Units	\$ 25.00	\$ 125.00
4	4" Fittings 45°	10	Units	\$ 25.00	\$ 250.00
SUBTOTAL - PIPE/FITTINGS:					\$ 95,825.00
5	Pipeline Markers	14	Units	\$ 19.00	\$ 290.00
6	Cathodic Protection Test Points	2	Units	\$ 50.00	\$ 100.00
7	Environmental Controls - Silt Fence	1730	LF	\$ 2.00	\$ 3,460.00
8	Environmental Controls - Other	1500	LF	\$ 2.00	\$ 3,000.00
Material prices are only good for 3 days from bid date.					6,850.00
Material will be billed at Market price on date pipe is delivered.					102,675.00
1	Install 4" steel pipe (direct bury)	3250'	LF	\$ 75.00	\$ 262,500.00
2	Install 4" steel pipe (bore)	250'	LF	\$ 200.00	\$ 50,000.00
3	Install 4" Cameron 600# FP WxW Steel Valves	2	Units	\$ 1,000.00	\$ 2,000.00
4	Install 4" 90°	5	Units	\$ 200.00	\$ 1,000.00
5	Install 4" 45°	10	Units	\$ 200.00	\$ 2,000.00
					317,500.00
6	Install Pipeline Markers	14	Units	\$ 100.00	\$ 1,400.00
7	Install CP Equipment-Test Points	2	Units	\$ 500.00	\$ 1,000.00
8	Install Environment Controls-Silt Fence	3500	LF	\$ 3.00	\$ 10,500.00
9	Install Environment Controls-Other	2000	LF	\$ 3.00	\$ 6,000.00
10	Easement Clearing	1.610	Acres	\$ 43,125.00	\$ 43,125.00
					62,025.00
					379,525.00
					482,200.00

<sup>1</sup>Total length of pipe is ~3500ft, 250ft of which are under hard surfaces and must be bored. Contractors discretion for installation method for rest of pipe.

<sup>2</sup> Trenchless installation of pipe under hard surfaces is mandatory – no open cut installation of roads, driveways, etc. The unit price of all pipelines installed under roadways, driveways, and other areas shall include all cost including opening and closing the bore pit and receiving pit.

Bidder's Qualifications & References Form

Name of Bidder: Huassce Construction Co. Inc.

1. The following Subcontractors, Suppliers, other persons and organizations are proposed to be employed to furnish portions of the Work or components of the Goods:

Name	Address	Type of Work	Percent of Total Contract
Westco	Cleveland, TN	Cleaning	9%

2. The following data, statements of experience, personnel, equipment, and general qualifications of the Bidder are submitted as a part of the Bid and the Bidder represents and guarantees the truthfulness and accuracy thereof:

- Our organization has been in business continuously from the year 1984.
- Our organization has had experience in construction comparable to that required by the Contract Documents as a prime Contractor for 35 years and as a subcontractor for 35 years.
- Following is a partial list of construction projects our organization has completed within the past three years which is similar in character and in magnitude to that required by the Contract Documents. This list contains only projects and references completed by crews supervised by the person(s) who will supervise this proposed project for KORDSA.

Year	Client	Client Contact Information	Project Type	Contract Amount
2020	CSC	Bernie Kinsey - 423.421-5668	Gas Pipe Removal	858,000
2019	TDOT	Bryant Proffers - 423.836-2261	Gas Relocation	1,200,000
2018	CSC	Bernie Kinsey - 423.421-5668	New Gas Pipeline	950,000
2017	TDOT	Jones Brothers	Gas Relocation	944,000

- d. The following list of supervisory personnel is currently employed by the Bidder and would be assigned to the Project (project manager, superintendents, principal foremen and engineers):

Name	Title	Years of Experience
George Wynn	Supervisor	19
Jeff Carr	Welding Supervisor	16



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- e. Attached is a detailed resume of qualifications, previous employers and experience of the supervisory personnel proposed to be assigned to the project.
- f. Following is a list of equipment owned by our organization which is available for use on the Project (attach additional sheets if necessary):

Type of Equipment	Size or Capacity	Present Location

- g. Following is a list of all projects that the Bidder has undertaken in the last five years which have resulted in partial or final settlement of the contract by arbitration or litigation:

Name of Client and Project	Original Contract Amount	Total Claims Arbitrated or Litigated Amount of Settlement of Claims
	N/A	

- h. Reference is hereby made to the following bank or banks as to the financial responsibility of the Bidder:

Name of Bank	Address
Reliant Bank	800 Broad St. Chattanooga TN 37402

- i. Following is a list and description of all safety citations issued to the Bidder over the last three years by any party:

Date	Safety Issue Summary
	N/A



Non-Collusion Affidavit

I, Todd Newman [Name] as a representative of Hinesco Const. [Bidder] being duly sworn, depose and under the penalty of perjury say that the following is true:

1. I am the person responsible within my firm for the final decision as to the price(s) and amount of this Bid or, if not, that I have written authorization, enclosed herewith, from that person to make the statements set out below on their behalf and on the behalf of my firm.
2. The price(s) and amount of this Bid have been arrived at independently, without collusion, consultation, communication, or agreement for the purpose of restricting competition with any other contractor, competitor, Bidder, or potential Bidder.
3. Unless otherwise required by law, neither the price(s) nor the amount of this Bid have been disclosed to any other firm or person who is a Bidder, competitor, or potential Bidder on this Project, and will not be so disclosed either directly or indirectly prior to Bid opening.
4. No attempt has been made or will be made to solicit, cause, or induce any firm, partnership, corporation, or person to submit or not submit a Bid on this Project, or to submit a Bid higher than the Bid of this firm, or submit an intentionally high or noncompetitive Bid or other form of complementary Bid, or for the purpose of restricting competition.
5. The Bid of my firm is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary Bid.
6. My firm has not offered or entered into a subcontracting agreement regarding the purchase of materials or services from any firm or person, or offered, promised, or paid cash or anything of value to any firm or person, whether in connection with this or any other Project, in consideration for an agreement or promise by any firm or person to refrain from proposing or to submit a complementary Bid on the Project.
7. My firm has not accepted nor been promised any subcontract or agreement regarding the sale of materials or services to any firm or person and has not been promised or paid cash or anything of value to any firm or person, whether in connection with this or any other Project, in consideration for my firm's submitting a complementary Bid or agreeing to do so, on this Project.
8. I have made a diligent inquiry of all members, officers, employees, and agents of my firm with responsibilities relating to the preparation, approval, or submission of my firm's Bid on this Project and have been advised by each of them that he or she has not participated in any communication, consultation, discussion, agreement, collusion, act, or other conduct inconsistent with any of the statements and representations made in this affidavit.

Company Name Hinesco Construction, Inc.  
 By: [Signature] (Name), President (Title)  
 Date: 5/28/21



## Definitions

### 1. Headings

The bold headings for each section herein are provided for convenience only; and shall not in any way limit or expand the scope of each section, nor shall it be used in determining the legal effect of said section.

### 2. Defined Terms

Herein, and in any Contract Document, the following terms shall be defined as follows. This listing of definitions does not limit other definitions made herein:

**Addenda** - Written or graphic documents that change, correct, or clarify the bid requirements or Contract Documents. All Addenda must be issued prior to the opening of bids.

**Bidder** - Individual, corporation, firm, or other entity who submits a proposal for work.

**Bidding Documents** - The bidding requirements as specified in the Instructions to Bidders, Invitation to Bid, and the proposed Contract Documents including any Addenda issued prior to the opening of bids.

**Construction Monitor** - An individual assigned and employed by Owner's Representative who will partake in the periodic monitoring of construction activities.

**Contract** - The entire written agreement between the Owner and the Contractor covering the performance of the work and the furnishing of all labor, equipment, and supplies necessary to complete construction or any part thereof and including documentation all as required by the Contract Documents.

**Contractor** - Individual, corporation, firm, or other entity who undertakes this contract with the Owner.

**Contractor Furnished** - The Contractor shall furnish all personnel, transportation, equipment, machinery, tools, materials, and supplies necessary to install the natural gas pipeline in accordance with the specifications. Contractor will provide all labor, transportation, and pay all expenses in connection with receiving, unloading, storing, hauling, or stringing of all materials from the time of delivery to Contractor until final installation of the materials in the job. Contractor will store, handle, and transport all materials in strict accordance with rules and regulations of regulatory bodies having jurisdiction. Contractor agrees to furnish all other materials for construction and for safeguarding life and property as necessary for the execution of work performed by the Contractor. All materials must be new or approved by Owner's Engineer or Owner's Representative. These materials are to be ordered and received by Contractor.

**Contract Period** - Six months from the date the Contract is assigned or the period until the work is complete and ready for final payment according to the contract terms.





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**Easement** - A properly executed document obtained by KORDSA from a property owner or owners defining the area in which work is to be performed.

**Foreman** - The representative of the Contractor who shall be always present on the work site, authorized to receive and fulfill instructions from the Owner or Owner's Representative.

**MSDS**: Material safety data sheets.

**Open Trench Construction** - Installing underground pipe by means of open trench methods such as trenches opened using back hoes or trenching machines.

**OQ** - Operator Qualification for work on natural gas pipelines as defined by 49 CFR 192 Subpart N.

**Owner** - KORDSA Inc.

**Owner's Representative** - Rod Walker & Associates Consultancy

**Pipeline** - All parts of those physical facilities through which gas moves in transportation including pipe, fittings, valves, and fabricated assemblies.

**Project** - A specific construction job or work defined and described and an accompanying set of plans.

**Site** - Area in which the Work is designated to take place including rights-of-way, easements, or other areas when specifically defined.

**Subcontractor** - Any person, firm, partnership, association, joint venture, company, corporation or other entity, regardless of tier, engaged by the Contractor to provide any part of the Work under the resulting contract.

**Trenchless Construction** - Installing underground pipe by means of directional boring or pneumatic mole machines.

**Unit Price Work** - Work paid according to the Unit Prices defined on the completed Bid Form.

**Work** - All labor, services, installation, construction, and documentation necessary to complete the Work defined by the Contract Documents in whole or in part.

## III. General Contractual Conditions

### Local, State and Federal Laws

The Contractor shall familiarize himself, their employees, and their subcontractors with all Local, State and Federal laws, regulations, and ordinances pertaining to the Work and shall hold harmless KORDSA, RW&A, or their representatives or agents, from any claim or liability arising from the violation of any law by the Contractor or their employees or subcontractors. The



Contractor will be required to follow all laws, regulations, and ordinances affecting the Work defined by the Contract Documents.

#### Contractor Experience

The Contractor shall have prior experience in constructing natural gas pipelines and service lines. Contractor shall also have directional boring experience installing natural gas pipelines and all ancillary work needed to complete the scope of this project. The experience shall include the installation of steel pipe in accordance with written procedures as required by Federal and State regulations. The failure of the Contractor to have such experience may result in a rejection of its bid.

A list of clients for whom the Contractor has performed construction work, along with the name of the appropriate contact person, a description of the work performed, and the dates when such work was performed shall accompany the bid as described in the Bidder's Qualifications & References Form.

#### Insurance and Indemnification

Before starting work, and until termination of supplying products and /or services to KORDSA, the Contractor shall procure and maintain insurance of the types and to the limits specified. The term "KORDSA" and "Owner" as used in this section of the Contract is defined to mean KORDSA Inc. itself, any subsidiaries or affiliates, employees, volunteers, appointed representative and agents.

With regard to the Contractor's obligations for products and completed operations, the Contractor shall be responsible for providing and maintaining insurance and contractual agreements for a minimum of at least three years subsequent to the Owner's acceptance of the Work or Completed Operations. Insurance shall be issued by an insurer whose business reputation, financial stability and claims payment reputation is satisfactory to KORDSA. Unless otherwise agreed, the amounts, form and type of insurance shall conform to the following minimum requirements:

1. The Contractor shall purchase and maintain Worker's Compensation Insurance Coverage for all Workers' Compensation obligations whether legally required or not. Additionally, the policy, or separately obtained policy, must include Employer's Liability Coverage of at least \$100,000 each person - accident, \$100,000 each person - disease, \$500,000 aggregate disease.
2. Commercial General Liability coverage must be provided, including bodily injury; property liability for premises, operations, products and completed operations, contractual liability, property damage resulting from collapse or underground exposures and independent contractors. The coverage shall be written on occurrence-type basis with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate. KORDSA must be listed as an additional insured.



3. Commercial Automobile Liability coverage must be provided, including coverage for bodily injury and property damage arising out of operation, maintenance or use of owned, non-owned and hired automobiles. Minimum limits of \$1,000,000 CSL must be provided.

Umbrella Liability Insurance coverage shall not be more restrictive than the underlying insurance policy coverages. The coverage shall be written on an occurrence-type basis.

The Contractor shall purchase coverage on forms no more restrictive than the latest editions of the Commercial General Liability and Business Auto policies filed by the Insurance Services Office. KORDSA shall be an Additional Insured and such coverage shall be at least as broad as that provided to the Name Insured under the policy for the terms and conditions of this Contract. KORDSA shall not be considered liable for premium payment, entitled to any premium return or dividend and shall not be considered a member of any mutual or reciprocal company.

Required insurance shall be documented in the Certificates of Insurance that provide that KORDSA shall be notified at least thirty days in advance of cancellation, nonrenewal or adverse change or restriction in coverage. KORDSA shall be named on each Certificate as an Additional Insured and this contract shall be listed. If required, the Contractor shall furnish copies of the Contractor's insurance policies, forms, endorsements, jackets and other items forming a part of, or relating to such policies.

The Contractor's required coverage shall be considered primary and all other insurance shall be considered as excess, over and above the Contractor's coverage. The Contractor's policies of coverage will be considered primary as relates to all provisions of the contract.

#### Loss Control and Safety

The Contractor shall retain control over its employees, agents, and subcontractors; as well as control over its invitees, and its activities on and about the work premises and the manner in which such activities shall be undertaken. To that end, the Contractor shall not be deemed to be an agent of KORDSA. Precaution shall be exercised at all times by the Contractor for the protection of all persons, including employees, and property. The Contractor shall make special effort to detect hazards and shall take prompt action where loss control/safety measures should reasonably be expected.

#### Hold Harmless

The Contractor shall indemnify and hold harmless KORDSA and Rod Walker & Associates Consultancy, Inc., its officers, employees, and representatives, from any and all liabilities, damages, losses, and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness or intentional wrongful misconduct of the Contractor and persons employed or utilized by the Contractor in the performance of this contract. The Contractor's obligation shall not be limited by, or in any way to, any insurance coverage or by any provision in or exclusion or omission from any policy of insurance.



#### Contract Documents

Contract documents include the Invitation to Bid, Instructions to Bidders, General Conditions, Proposal, Special Instructions, Any Task Orders, Change Orders, or any Addenda pertaining to Contract Documents. Owner or its representative shall furnish to Contractor a copy of the fully executed Contract Documents.

Any labor, documentation, services, materials, or equipment that may be reasonably inferred from the Contract Documents as being necessary to produce the intended result will be provided by the Contractor whether or not specifically called for at no additional cost to Owner.

#### Award of Contract

Award of contract is done on a cost, qualifications, and suitability basis and will be contingent on the bidder meeting all conditions and requirements of the specifications. The apparent successful Bidder will be sent notice of award. Unsuccessful bidders will also be notified at the same time by email.

#### Default of Contract/Contract Termination

If, in the opinion of KORDSA or its representatives, the Contractor fails to carry out Project work in an acceptable manner, KORDSA or its representative will provide notice to the Contractor in writing of such deficiencies to the address provided by Contractor in its bid. If after five days of provision of the notice, the work has not resumed to the satisfaction of KORDSA, KORDSA may take over the completion of the work within its own organization, enter into agreements with others for the completion of the work, use any such other methods as required to complete the work, and may declare the Contractor in default of the Contract. The Contractor shall be liable for all expenses incurred by KORDSA in completing the work.

In the event that the Contractor is declared in default of the Contract, KORDSA shall have the authority, at its discretion, to terminate the Contract. In the event of a termination, the Contractor shall be paid for completed and acceptable work executed in accordance with the Contract prior to the date of termination, in accordance with the unit prices. Contractor shall be compensated for partially completed work prior to the date of termination in accordance with the unit prices provided so long as such work is acceptable and in accordance with the specifications. Contractor shall not be paid on account of loss of anticipated profits or revenue or other economic loss arising out of or resulting from such termination.

#### Contract Extension

The prices provided by Bidder in its Proposal(s) shall remain in effect for a period of six months from the date of execution of the Contract. The Contract may be extended for an additional six months or a year at the sole option of KORDSA, but KORDSA is under no obligation to agree to an extension of the Contract.



## Project Coordination and Meetings

### Project Coordination

#### Contractor shall:

- Coordinate all construction activities as required to ensure efficient and orderly performance of each part of the Work.
- Coordinate all construction activities to avoid interference with other contractor's performing work on the project site under separate contract with Owner.
- Where installation of one part of the Work is dependent on installation of other components, either before or after its own installation, schedule and coordinate construction activities in the sequence required to obtain the best results.
- Where availability of space is limited, coordinate installation of different components.
- Make adequate provisions to accommodate items scheduled for later installation.

#### Preconstruction Meeting

The Project Representative for KORDSA will schedule a Preconstruction Meeting and will notify the Contractor and required attendees not less than five calendar days in advance of the proposed meeting time. It is anticipated that the Preconstruction Meeting will be held within five calendar days after Contract Execution. The Notice to Proceed is anticipated to be issued following the Preconstruction Meeting at a reasonable time before construction is to begin. The Preconstruction Meeting will be held at KORDSA offices located at North Access Road, Chattanooga, Hamilton, Tennessee. Note that Authorities Having Jurisdiction may require their own preconstruction meeting with the Contractor and the Owner.

#### Purpose of Preconstruction Meeting:

1. Establish lines of communication at the project working level.
2. Discuss and review administrative requirements of the Contract.
3. Definition of and interpretation of roles and responsibilities in performance of the Contract.
4. Review and discuss Contractor's preliminary project schedule.
5. Review and discuss Contract Documents, including Drawings and Specifications.
6. Review and discuss permitting issues including requirements of authorities having jurisdiction.
7. Review and discuss facility and site access, traffic control, security, and procedural issues.
8. Discuss administration and performance of sign-in and sign-out responsibilities.
9. Coordinate safety activities, including performance of the required Contractor's Health and Safety Plan.
10. Coordinate mobilization activities.

#### Required Attendees:

KORDSA Project Representative.

Owner (KORDSA) Representative.

Engineer.

Contractor, including its project manager, superintendent, and safety officer.

Significant subcontractors pertinent to the agenda.

#### Weekly Progress Meetings

Weekly Progress Meetings will be directed and led by the Project Representative. The Project Representative will prepare, coordinate, convene, and arrange Weekly Progress Meetings.

#### Purpose of weekly progress meetings:

1. Maintain and improve lines of communication.
2. Demonstrate performance of administrative requirements of the Contract.
3. Review and discuss the Weekly Look Ahead Schedule.
4. Review and discuss work quality issues.
5. Review and discuss permitting issues including requirements of authorities having jurisdiction.
6. Review and discuss specific Contract Documents, including Drawings and Specifications.
7. Maintain and improve facility and site access, traffic control, security, and procedural issues.
8. Review and improve ongoing safety activities including performance of the required Health and Safety Plan.

#### Required Attendees:

KORDSA Project Representative.

Engineer.

Contractor, including its project manager, superintendent, safety officer, and others as requested by the Project Representative.

Subcontractors and vendors pertinent to the agenda.

Representatives of authorities having jurisdiction.

#### Agenda for Weekly Progress Meetings:

##### Contractor will:

Ensure that required attendees are prepared and familiar with the Project and the Project Schedule.

Coordinate the time and place of the weekly meetings with the Project Representative.

Ensure the Project Representative has been consulted in advance of the meeting with respect to the proposed attendees and their relationship to the Project.

Submit the Weekly Look Ahead Schedule at least twenty-four (24) hours in advance of the meeting.

Be prepared to discuss the following, to the extent deemed appropriate by the Project Representative:



- a. Review work progress during the preceding week.
- b. Note field observations, problems and decisions.
- c. Identify problems that impede planned progress.
- d. Coordinate activities to the Project Representative's satisfaction to permit the Project Schedule to be maintained or improved.
- e. Develop corrective measures and procedures to maintain or improve the Project Schedule.
- f. Discuss progress of preparation and maintenance of administrative documents required in accordance with this Section.
- g. Discuss updates to the Monthly Update Schedule in accordance with Section 01 32 16 -- Project Schedules.
- h. Review planned work identified in the Weekly Look Ahead Schedule in accordance with Section 01 32 16 -- Project Schedules.
- i. Review impacts of changes on the Project Schedule.
- j. Discuss status and action related to schedule changes.
- k. Discuss additional scope, costs, schedule impacts, deviations, substitutions and other changes.
- l. Safety Report by the Contractor's safety officer.
- m. Review safety measures, including compliance with the required Health and Safety Plan, and cooperation with governmental agencies, and authorities having jurisdiction.
- n. Maintenance and improvement of quality, work standards, and competence.
- o. Resolution of construction non-conformities.
- p. Review of status logs of submittals, RFIs, and Change Orders.

#### Key Milestone Meetings

Key milestone meetings will be scheduled for various portions of the Work as the Work progresses. Provide suggested agenda for each pre-installation meeting to the Project Representative. At a minimum, the agenda shall include the following:

1. Project conditions, including anticipated temperature and weather conditions, and project-specific issues affecting the Work.
2. Schedule, sequencing, and coordination with Work of other trades.
3. Installation procedures.
4. Quality assurance procedures; specifically, Contractor accommodation of Project Representative inspections of the Work of the relevant Section and other quality expectations.
5. Notification: Coordinate with the Project Representative for notification of required attendees not less than five calendar days in advance of the proposed meeting time.
6. The following is a partial list of systems, assemblies, products and processes for which pre-installation meetings are required:
  - a. Hydrostatic pressure test (pipeline)
  - b. Purging facilities to gas



#### Accounting for Work Performed

Work assigned to the Contractor shall be defined as one unit with a total pipeline length. Work completed shall be defined as a percentage complete of that total length. All invoices submitted for payment of work performed shall identify the segment complete by length. No invoices will be paid unless the project segments are properly identified and inspected.

#### Guarantee

The Contractor agrees to guarantee all work in whole or in part to be free from construction defects for a period of one year from the date of final payment of Contractor's Invoice. Any defects resulting from Contractor neglect or faulty installation shall be repaired by the Contractor at its expense. All such correction of defects will be performed under the direction of the Owner or Owner's designee.

#### Severability

In the event any section herein or any portion of a section herein is deemed unenforceable, the remainder of the Contract is severable and enforceable.

### III. Specifications of Work Performed by Contractor

The Contractor shall install the Pipeline according to the plans agreed upon. Contractor shall provide all equipment, tools and materials necessary to perform the Work. The Contractor's responsibility shall include the performance of all construction necessary to furnish Owner with completed pipeline ready for service with complete Site restoration.

#### Contractor Responsibilities

The Contractor is responsible for: Furnishing loading, unloading, handling, and storing all pipe and other materials; utility locating; all ditching, backfilling, including breaking paved surfaces, tunneling, boring, and any other type of excavations; hauling, stringing, lining, lacing, and welding of pipe and fittings; application of joint coating materials, cleaning, swabbing, and inspecting of pipe to preclude possibility of foreign objects remaining inside the completed line; lowering in and placement of pipe and any pertinent equipment; installation of tracer wire and confirmation of continuity; furnishing labor and materials necessary for pressure testing all lines installed at the direction of the Owner or its representatives and for locating and repairing leaks indicated by test; purging, capping; backfilling, rolling, and compacting backfill; all asphalt and concrete removal and replacement as required, spoil removal, restoration of Site, and hauling, loading and unloading of Site restoration materials, cleanup of sidewalks and roadways affected by the Work; providing as-built drawings and close-out documents.





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#### Submittal Procedures

Contractors shall follow the below procedures in submitting documents. A submittal shall not be deemed complete until the submittal has been reviewed and returned by the Project Representative with one of the following annotations: (1) no exceptions taken or (2) make corrections noted.

Submittals will only be accepted from the Contractor. Materials provided by subcontractors, suppliers and others who are not the Contractor will not be received and will not be reviewed or acted upon. All materials and submittals must be submitted to the Project Representative by the Contractor itself, and not through proxies.

Documentation shall be submitted via email to the Project Representative at:

Jeremy Walker, [jwalker@rwalkerconsultancy.com](mailto:jwalker@rwalkerconsultancy.com)

If physical copies are required, submit to

Rod Walker & Associates Consultancy, Inc.

Attn. Jeremy Walker

99 Walnut St. Suite 503

Chattanooga, TN 37403

#### Scope of Work to Be Performed

Cost of constructing new facilities shall include the cost to clear, excavate, install by trench or boring, coat, backfill the new pipeline. Said work shall be performed only in the presence of Owner's Representative, or with specific authorization from Owner.

Contractor is responsible for the performance of all work to the extent consistent with the Contract Documents and reasonably inferred from the Contract Documents as being necessary to produce the intended results. The Contractor is to coordinate their work with that of the Owner to expedite the entire work of all concerned.

#### Work Technical Standards

All work shall be performed in accordance with the Material Manufacturers Specifications and be compliant with all applicable Federal, State, and Local regulations. These standards, manuals, practices, and specifications change periodically, and the most current version must be complied with. It is Contractor's responsibility to verify that it is operating under the most recent revision of the standards, manuals, practices, and/or specifications. Contractor should comply with, but not limited to, the following list:



## Health & Safety

### General

The Contractor is solely responsible for all safety and damage prevention initiatives necessary for the protection of all persons and property affected by the Work. All Work shall conform to all safety regulations affecting the Work, whether Federal, State, or Local, including, without limitation, 49 CFR 192, Pipeline Safety Regulations, O.S.H.A. Regulations, and any amendments thereto. Contractor personnel performing Work of the Project are to comply with the federal Occupational Safety and Health Act of 1970 (OSHA), including revisions, amendments, and regulations issued since the legislation was enacted.

When a situation arises that may affect the safety of persons and property at the Site and is not clearly defined by the regulations listed above, industry best practices will prevail to ensure the highest level of precaution is taken.

### Health Safety Supervisor:

Contractor will assign an individual to serve as the project Health Safety Supervisor. This person is responsible for implementation of the Contractor's Health and Safety Plan. The Health Safety Supervisor can be the same person as the Project Superintendent. The Health Safety Supervisor can be the same person as the Site Safety and Health Officer.

### Site Safety and Health Officer:

Contractor will assign an individual to serve as the project Site Safety and Health Officer. This person will be sufficiently and thoroughly trained in rescue procedures, the use of safety equipment, and the use of gas detectors. The Site Safety and Health Officer can be the same person as the Project Superintendent. The Site Safety and Health Officer can be the same person as the Health Safety Supervisor. The Site Safety and Health officer will ascertain the extent to which applicable regulations affect Work of the Project. In the case of conflict or inconsistency between the regulations, the more stringent regulation or requirement applies. There is no acceptable deviation from the regulations.

The Site Safety and Health Officer will also prepare and implement the Accident Prevention Program.

### Submittals

Contractor will submit the following documentation to Owner's Representative according to the method described in the Submittal Procedures section:

1. Health and Safety Plan: Provide a Health and Safety Plan within three weeks following the Notice to Proceed. This plan should:
  - Be specific to the project.
  - Include all aspects of the Work through completion.
  - Include MSDS for chemical materials stored, used, or otherwise required for the Project.
  - Include a map and directions to hospitals and urgent care facilities.
  - Include training for any specific work conditions associated with the Project.

- Provide a system of informing workers and others about the health and safety conditions of the Work.
  - Include specific measures for continual assessment of working conditions in the vicinity of the excavation work area.
  - Identify responsible parties to implement the Health and Safety Plan.
  - The Site Safety and Health Officer shall participate in the development of the plan.
2. Accident Prevention Program: Prepare and administer in accordance with federal, state, and local jurisdictional requirements. This program should:
- Be specific to the Work and the Project Site.
  - Outline the anticipated hazards and safety controls necessary to safeguard the Contractor's employees, the public, and Owner staff and representatives.
  - Include the name and telephone number of the Health Safety Supervisor responsible for implementation of the plan.
3. Injury Summary Report: Submit a completed Injury Summary Report, to the Project Representative the first weekday of each month in which work is done. This report shall include:
- A summary of all injuries in the reporting period including near misses, slips and falls.
  - A summary of all actions taken.
  - A summary of remedial measures implemented to prevent recurring injuries.
  - A summary of impact to work plan, if any.

Contractor shall revise the Health and Safety Plan and Accident Prevention Program prior to the start of Work as necessary to accommodate changes requested by the Owner, regulatory agencies, and jurisdictions having authority. Contractor shall also revise the Health and Safety Plan and Accident Prevention Program as necessary to accommodate changes in site conditions.

#### Traffic Control and Safety Equipment

The Contractor shall be responsible for furnishing all safety equipment or materials required for the execution of the Work. Detours, signs, lighting, barricades, flagging, and all other safety and traffic control measures must comply with the Tennessee Department of Transportation Design Standards and will be supplied by the Contractor. Maintenance of Traffic (MOT) using the Tennessee Department of Transportation Design Standards will be used on all State, County, and City roadway and right-of-way work. An advanced MOT certified individual must set up and maintain the MOT.

Precaution shall be exercised at all times by the Contractor for the protection of all persons, including employees, and property. The Contractor shall make special effort to detect hazards and shall take prompt action where loss control/safety measures should reasonably be expected.



#### Permits

KORDSA or its Representative shall obtain all necessary permits for the execution of this project and will provide the Contractor with a copy of the necessary permit(s). The Contractor shall be responsible for performing all work in accordance with the terms and conditions of the permits. The Contractor is not permitted to proceed with the work provided in a Work Order unless it has received the necessary permits. The contractor must maintain a copy of all issued permits for a specific Work Order at the active location of the Work associated with that Work Order.

In the event of performing the Work, the Contractor determines or has reason to suspect that a permit not issued by Owner is necessary or relates to the Work at the Site, it is the responsibility of the Contractor to inform the Owner of the need to investigate said permit.

When a lane closure is deemed necessary, it must be approved by Owner or its representative, and the Contractor is then responsible for notifying the appropriate State, County, or City agency and following the required MOT plan.

The Contractor shall be responsible for notifying the appropriate agency upon initiation of work within specific agencies right-of-way. The Contractor's responsibilities shall include the coordination of matters related to issued permits with the above-referenced authorities including the prompt correction of all discrepancies.

#### Work Force

The Contractor shall at all times have a competent Foreman in charge of operations to whom instructions can be given and upon whom responsibility can be placed. Any employee declared by KORDSA or its representatives to be incompetent or untrustworthy shall be immediately replaced and not employed in any capacity on the Projects. Contractor shall not employ any person or subcontractor, whether initially or as a replacement, with whom KORDSA may have reasonable objection. Contractor shall obtain Owner's approval to subcontract any work, prior to commencing the work.

The Contractor shall retain control over its employees, agents, and subcontractors, as well as control over its invitees and its activities on and about the Site.

The Contractor shall have available enough competent personnel to ensure that all tasks involved with the completion of the contract and be performed safely and in a timely manner.

#### Qualification of Personnel

The Contractor shall be responsible for training, qualifying, and evaluating its personnel, and any subcontractors, to perform work on natural gas pipelines. Training must meet the requirements of all Federal, State, and Local regulations. Proof of OQ training for each person working for the Contractor or Subcontractor must be provided to the satisfaction of the Owner's Safety Representative.

Contractor shall meet, as a minimum requirement all applicable sections of 49 C.F.R. 199 "Drug and Alcohol Testing".

All work shall be performed by qualified workers in accordance with the Operator Qualification (OQ) section of the federal pipeline safety regulations (49 CFR Part 192, Subpart N; and 49 CFR Part 195, Subpart G) and shall comply with any updates or amendments as issued by the applicable Federal, State or Local Agency.

#### Working Hours

Unless specified, or when necessary for safety of the Contractor, all work by Contractor shall be performed during regular working hours which is Monday through Friday sunrise to sunset or a set time schedule agreed to by all parties. The performance of work during overtime hours, weekends, or federally recognized holidays must be approved by KORDSA or its representatives.

#### Post-Construction Documentation

Contractor is responsible for submitting documentation to close job as required by Owner. Closing documentation may be required on paper and/or electronically as stipulated by the Owner. The required documentation will be submitted to the assigned Construction Monitor or the Owner's Representative. Required documentation includes but may not be limited to any deviations from the original plans, as-built drawings, pressure tests, material usage, installation methods, permit documents, bore logs, service materials, and any other documentation unique to the specified Work. The Contractor is responsible for designating the actual materials used, the feet of pipe installed, and any unit price work completed.

#### Easements and Site Accessibility

KORDSA shall provide all Easements when necessary for installation of the pipeline on private property. Contractor shall not install or construct gas mains or pipelines on property outside of the defined easement without written authorization from the Owner.

Use of the Job Site shall be limited to what is required for the Work scheduled within a limited block of time defined as "Work Hours". Contractor's equipment shall be removed from the Site when no longer required for ongoing work. Storage of equipment, materials, and debris shall not unreasonably encumber the Site. Vehicles at the Site should be limited to those owned and insured by the Contractor and designated with contractor company name.

The Contractor shall be responsible for protecting both public and private monuments. No trees or shrubs shall be cut in a public right-of-way or on private property without written permission from the appropriate authority or owner of the property. Contractor shall be responsible for any costs associated with the failure to obtain such permission.

#### Locating Utilities

The Contractor shall be responsible for all utility locates, both overhead and underground, in the construction area and adjacent area. When excavating, the Contractor must adhere to Tennessee 811 best practices. It is the responsibility of the Contractor to verify the Tennessee 811 response and when a Tennessee 811 member fails to mark their facilities by the due date, the Contractor must use due diligence in locating unmarked utilities and ensuring the utility is not damaged during construction. Contractor shall also be responsible for contacting utilities who are not a member of Tennessee 811 to request locates. Contractor shall perform all locates for natural gas facilities in planned construction areas before beginning Work. All damaged utilities shall be repaired at Contractor's expense or it is the responsibility of the Contractor to coordinate repair with damaged utility owner. In any case where the Contractor has evidence to show they are not at fault for damage of utility, the Contractor is responsible for coordination with damaged utility owner for determining responsible party. Damage to KORDSA facilities may be deducted from any amounts due to Contractor.

#### Responsibility to the Public

The Contractor shall maintain proper liaison with property owners while performing work on public rights-of-way or private property. Contractor shall respond promptly to any complaints received from property owners or any complaints referred to the Contractor by KORDSA. All excavated areas shall be properly backfilled and neatly dressed. All construction debris shall be promptly removed from the jobsite as soon as practical. The contractor shall be responsible for follow up jobsite restoration resulting from its failure to perform initial restoration in a manner satisfactory to the owner. If public right-of-way or private property is not restored within reason to satisfaction of KORDSA or Owner's Representative, Owner's Representative shall request Contractor to make the needed repairs. If Contractor has not made repairs within 48 hours of request, KORDSA personnel will restore the owner's property and the cost of time and materials will be deducted from the invoice until the cost is recovered by KORDSA.

#### Construction Monitoring

Monitors shall be designated by Owner or Owner's Representative to inspect the Work done by Contractor, as the Owner deems necessary. Monitors are not authorized to revoke, alter, or waive any requirement of the specifications. They shall be authorized to call to the attention of the Contractor any failure of the Work to conform to specifications and the Contract and shall have the authority to reject materials or suspend the Work until any question at issue can be referred to and decided by the Owner. The presence of the Monitor shall in no way lessen the responsibility of the Contractor to perform its work in accordance with the Contract. Monitor can provide technical interpretations of the Tasks. The monitor shall check quality, progress, quantity of work performed, and maintenance of Site. Monitor will observe final pressure tests and accuracy of as-built drawings on completed work.



The Contractor shall furnish the Owner and the Owner's Representative with every reasonable facility for ascertaining whether the work performed is in accordance with the requirements and intent of the plans, specifications and Contract. Contractor agrees to promptly remedy any defective work or failures to perform its work in accordance with the requirements and intent of the plans, specifications, and Contract, at Contractor's expense. If the Owner or its Representative requests, the Contractor shall at any time before acceptance of the work, remove or uncover such portions of the finished work as may be directed. After examination, the Contractor shall restore the uncovered portions of the work to the standard required by the specifications. Should the work thus exposed or examined prove acceptable, the uncovering or removing and replacing of the covering or replacing of parts or segments removed shall be paid as Extra Work or according to unit prices in the Proposal; but should the work so exposed or examined prove unacceptable, the uncovering and removal and the replacing of covering or re-installation of parts or segments removed shall be at the Contractor's expense. Failure to reject any defective work or material shall not in any way prevent later rejection when such defect is discovered or obligate KORDSA to final acceptance.

#### Supply and Inspection of Materials

The contractor shall furnish pipe, fittings, valves, and other materials. It shall be the responsibility of the Contractor to examine all materials received from its Suppliers for any visible defects and to reject materials with visible or ascertainable defects. The Contractor shall bear the same responsibility for installing materials with visible or ascertainable defects as for performing faulty work.

Should the Contractor fail or refuse to remove and renew any visibly defective materials used or work performed, or to make any necessary repairs in an agreeable manner and in accordance with the requirements of the specifications, the Owner or its Representative may have the unacceptable or defective materials or work removed and renewed or may make such repairs as necessary to bring the work into compliance, all at the Contractor's expense. Any expense incurred by Owner in making these removals or repairs shall be paid out of any monies due or which may become due the Contractor. The Owner shall have the right to declare the Contractor in default due to a Contractor's continued failure or refusal to make all necessary repairs promptly, fully, and in an acceptable manner. All costs and expenses incurred thereby shall be charged against the Contractor.

#### Damages

In no event shall the KORDSA or its Representative be liable to the Contractor nor any of its Subcontractors, or any other person or organization, or to any employee or agent for any of the damages arising out of or resulting from a delay caused by or within the control of the Contractor, or delays beyond the control of both the KORDSA, its Representative and the

Contractor, including, but not limited to, fires, floods, epidemics, abnormal weather conditions, acts of God, or acts or neglect by utility owners or other contractors performing other work. With regard to delays claimed to be caused by KORDSA, or its Representative, the Contractor's sole remedy shall be an extension of time to perform the work and KORDSA or its Representative shall not be liable for lost profits, overhead, or any other economic damages as a result of any such delay or any other cause.

#### Environmental Hazards

The Owner's Representative will reference any known environmental conditions or hazards to be within the area of work. This information is for reference only and it is still the responsibility of the Contractor to meet all environmental agency requirements. If any hazardous environmental condition is found by the Contractor that was not referenced in the Project Information, the Contractor will not be penalized for any delays in meeting environmental requirements. Contractor shall not resume work until Owner, or its representative has obtained necessary permits.

Contractor shall be responsible and incur all costs for any hazardous environmental condition created by the Contractor, its employees or the Subcontractor and its employees. If a hazardous environmental condition is created the Contractor shall immediately cease work ensuring safety measures are taken, isolate the condition, and notify the Owner or its representative. The Owner or its representative shall then contact the appropriate agencies to investigate the conditions and determine what action is needed to remedy the situation.

#### Trenchless Pipe Installation / Road Crossing

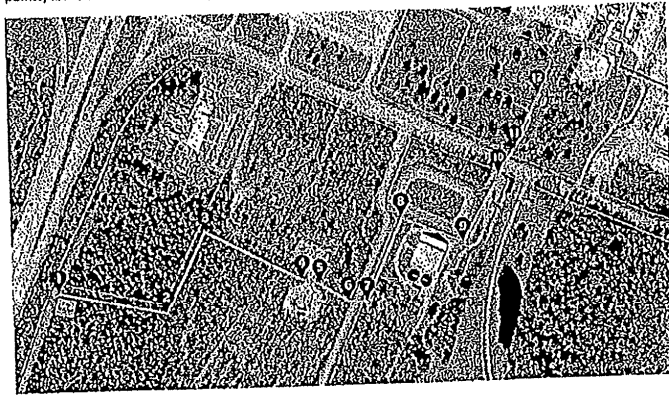
All roadways and driveways must be crossed via trenchless construction. Open trench construction is only permitted on right-of-way where roads are not intersecting and on KORDSA property. All pipe installation on KORDSA property will be installed in the most cost-effective way that adheres to the schedule. The contractor shall restore all surfaces to preconstruction conditions regardless of method used, at its own cost.

2.10



#### IV. Route Maps

Map(s) provided herein are for illustrative and planning purposes and not issued for construction. Bidder retains sole responsibility for verifying exact location and placement of pipe, boring entry and exit points, location of other utilities, and any other existing routing elements.



Description	Feet to next point
1 Start of Pipeline	562 ft
2 Left turn heading North	455 ft
3 Right turn heading East	549 ft
4 Start of bore across road	70 ft
5 End of bore across road	194 ft
6 Start of bore across road	65 ft
7 End of bore across road, left turn North	430 ft
8 Right turn East	380 ft
9 Left turn North	385 ft
10 Start of bore across road	115 ft
11 End of bore across road	295 ft
12 End of pipeline	0 ft



**Bidder's Agreement**

The undersigned, as Bidder, does declare that no other persons other than the Bidder herein named has any interest in this proposal or in the contract to be taken, and that it is made without any connection with any other person or persons making a proposal for the same articles, and it is in all respects fair and without collusion or fraud.

The undersigned further declares that he has carefully examined the specifications and is thoroughly familiar with their provisions and penalties.

The Bidder proposes and agrees if this Proposal is accepted, to contract with KORDSA, in the form of contract specified, to furnish all the materials, equipment, machinery, tools, apparatus, labor, means of transportation (including freight costs) necessary to construct the gas pipeline at the unit prices listed in the bid form and in accordance with specifications and conditions described in the Contract documents, when requested to do so by KORDSA.

Todd Newman

Authorized Signee [Print]

[Signature]

Authorized Signee [Signature]

5/28/21

Date

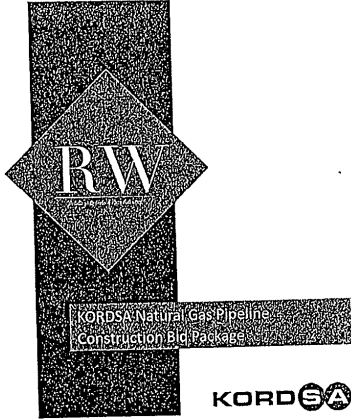




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## Project Overview

### Introduction

KORDSA ("KORDSA", "Owner") engages in the innovative, reliable, and safe production of tire and construction reinforcement and composites in 12 facilities throughout 5 countries. KORDSA has a need for the construction of a bypass pipeline which will service the KORDSA plant in Chattanooga, Tennessee. This Invitation to Bid ("ITB") is for a natural gas construction project focused on the installation of a new supply line from the nearby East Tennessee natural Gas (ETNG) transmission line to KORDSA's manufacturing plant on Access Road in Chattanooga, Hamilton County, Tennessee.

Rod Walker & Associates Consultancy ("RW&A", "Owner's Representative") is acting as the owner's representative for this project and will be the liaison between contractors and KORDSA.

The project consists of the design and construction of approximately 3500' of 4" steel pipeline on a combination of private easement, public right-of-way and KORDSA property. A tap station will be built on an approximately 30'x50' parcel of land at the location of the tap off the ETNG Pipeline consisting of a tap, valve, meter/regulator station and odorizer. A customer meter/regulator station will be constructed near the site of the existing KORDSA gas meter set location and tied into the plant's gas piping system.

This work generally includes open-cut or HDD install of 4" pipe across a pre-determined route chosen by RW&A.

This ITB is for the construction of the pipeline, all necessary work and fittings, but does not include the construction of a tap on the transmission line or installation of the meter set at the plant.

Interested parties may submit sealed bids with an original signature no later than Friday May 28<sup>th</sup>, 2021, 5:00 p.m. local time addressed to:

Rod Walker & Associates Consultancy, Inc.

Attn: Jeremy Walker

99 Walnut St, Suite 503

Chattanooga, TN 37403

Parties will also submit one additional electronic copy of their bid no later than May 28<sup>th</sup>, 2021, 5:00p.m. to:

Jeremy Walker

[jwalker@rwalkerconsultancy.com](mailto:jwalker@rwalkerconsultancy.com)

Any questions concerning the bid should be addressed in writing and submitted to:

Jeremy Walker

[jwalker@rwalkerconsultancy.com](mailto:jwalker@rwalkerconsultancy.com)

KORDSA reserves the right to accept, reject, withdraw, or modify any or all bids, to waive any bid formalities and to re-advertise for bids when deemed in the best interest of KORDSA.

#### Schedule

1. Notification of Interest must be received by Wednesday May 5, 2021 at 5:00 P.M. local time. Specifications, Instructions, and bid forms may be obtained by registering your interest at [www.rwalkerconsultancy.com/kordsa](http://www.rwalkerconsultancy.com/kordsa).
2. An on-site pre-bid meeting will be conducted Wednesday May 19, 2021, at 9:00 A.M., local time at a location that will be communicated to interested parties. This meeting is not mandatory; however, attendance by a representative of interested parties is strongly encouraged. The following guidelines from the CDC will be adhered to by RW&A and KORDSA representatives and apply to all attendees of this meeting:
  - Interested bidders should not attend if they have tested positive for COVID-19 or are showing COVID-19 symptoms.
  - Interested bidders should not attend if they have had a close contact with a person who has symptoms of COVID-19 within the past 14 days.
  - Attendees will wear a protective face covering in accordance with CDC guidelines.
  - Attendees will make an effort to maintain proper physical distance between other attendees and avoid physical contact in accordance with CDC guidelines.
  - More details can be found here: [cdc.gov/coronavirus/2019-ncov/community/large-events/considerations-for-events-gatherings](https://cdc.gov/coronavirus/2019-ncov/community/large-events/considerations-for-events-gatherings)
3. Friday May 28<sup>th</sup>, 2021 at 5:00 P.M., local time: Deadline for electronic bid submissions
  - Physical, signed copies to be postmarked by this date.
4. June 4<sup>th</sup>, 2021 by 5:00 P.M., local time: Notification of Award of contract shall be delivered by email to all parties submitting a bid. Contracting process will begin with contract award winner.
5. June 7<sup>th</sup>, 2021: Permitting/Top Location Easement/Application work to begin.
6. August 9<sup>th</sup>, 2021: Pipeline construction to begin (*Top & meter construction to occur in parallel*).
7. November 5<sup>th</sup>, 2021: Target completion of construction.

#### Instructions to Bidders & Bid Documents

To ensure acceptance, all bidders submitting bids to KORDSA shall be governed by the following general bid instructions, attached specifications, and bid form(s) unless otherwise specified. Bids not submitted on the bid form(s) provided shall be rejected, and bids not complying with these conditions will be subject to rejection.

1. Interested Parties: All interested parties shall register their interest as instructed above by email to Jeremy Walker ([jwalker@rwalkerconsultancy.com](mailto:jwalker@rwalkerconsultancy.com)). This registration will allow communication of addendums or other pertinent critical information.
2. Award of Contract: Award of contract is done on a cost, qualifications, and suitability basis and will be contingent on the bidder meeting all conditions and requirements of the specifications.

3. **Notice of Award:** The successful bidder will be notified in writing once selected according to the schedule. Unsuccessful Bidders will also be notified at the same time.
4. **Bid Withdrawals:** No bid may be withdrawn after closing time for receipt of bids for a period of sixty (60) days thereafter. The contract award shall be legally binding at the time of award by KORDSA.
5. **Exceptions to Specifications:** During the drafting of written specifications, a sincere effort is made to describe materials and services best suited to the needs of the project and KORDSA; however, in order that consideration be given in evaluating bids, any exceptions to or deviations from the specifications as written must be noted and fully explained. KORDSA is the final authority in determining the acceptability of any exceptions to specifications.
6. **Governing Law:** The laws of the State of Tennessee shall be the laws applied in the resolution of any action, claim or other proceeding arising out of this contract.
7. **Interpretations:** All questions concerning the interpretation of specifications or conditions shall be directed in writing to the Owner's Representative, or as instructed on the Invitation to Bid Page, at least seven days prior to the bid submittal deadline. Inquiries must reference the specific item(s) in question. If necessary, interpretations will be made in the form of an addendum sent to all registered interested parties as defined.
8. **Legal Requirements:** All applicable provisions of Federal, State, County, and local laws including all ordinances, rules, and regulations shall govern the development, submittal, and evaluation of all bids received in response to these specifications and shall govern any and all claims between person(s) submitting a bid response hereto and KORDSA by and through its officers, employees and authorized representatives. A lack of knowledge by the bidder concerning any of the aforementioned shall not constitute a cognizable defense against the legal effect thereof. The Bidder agrees that it will not discriminate on the basis of race, creed, color, national origin, sex, age or disability.
9. **Licenses, Registration and Certificates:** Each bidder shall possess at the time of submitting its bid all licenses, registrations and certificates necessary to engage in the business of contracting (or special contracting if the work to be performed necessitates a particular type of specialty contractor) in the relevant geographical regions in which the work is to be performed. Bidder must also possess all licenses, registrations and certificates necessary to comply with federal, state and local laws and regulations.
10. **Mistakes:** Bidders are expected to examine the conditions, scope of work, proposal prices, extensions, and all instructions pertaining to the item(s) or service(s) involved. Failure to do so will be at the bidder's risk. Unit prices bid will govern in award.
11. **Payment of Invoices:** KORDSA issues checks for payment of invoices on the 25th of each month. Summary of work completed, and a correct invoice must have been received by KORDSA or its representative prior to the 5th of the month in order to be paid that month. Item(s) or service(s) unable to be verified before 5th will be processed in the following month. Unless alternate arrangements are agreed upon, physical checks will be mailed to the address provided by bidder.
12. **Permits and Taxes:** The bidder shall procure all permits, pay all charges, fees, and taxes, and give all notices necessary and incidental to the due and lawful prosecution of the work. This shall include any use of streets fees for equipment and material transport if necessary.



13. Prevailing Party Attorney's Fees: The prevailing party in any action, claim or proceeding arising out of this contract shall be entitled to attorney's fees and costs from the losing party.
14. Project Representative: Owner's Representative will assign an individual who will be the primary liaison between Contractor, supervisory staff, subcontractors, and other field staff.
15. Protests: Protests of the plans, specifications, and other requirements of bids and requests for proposals must be received in writing by RW&A at least ten business days prior to the scheduled bid submittal deadline. A detailed explanation of the reason for the protest must be included. Protests of the award or intended award of bid or contract must be in writing and received by RW&A within five business days of the notice of award. A detailed explanation of the protest must be included.
16. Rejection of Bids: RW&A and KORDSA reserve the right to accept or reject any or all bids, to waive any minor bid irregularities, technicalities, or informalities, and to re-advertise for bids when deemed in the best interest of KORDSA.
17. Sealed Bids: The specifications and all executed bid forms must be submitted in a sealed envelope. All bids must be signed by an authorized representative of the bidder. The face of the sealed envelope shall be plainly marked identifying the bidder, the item(s) or service(s) bid and the project name. It shall be the sole responsibility of the bidder to assure receipt of bid prior to the published time for the bid submittal deadline. No bid will be accepted after closing time for receipt of bids, nor will any offer by telephone, fax, Internet, or email be accepted (other than an electronic copy of the bid as described herein).
18. Termination for Convenience: A contract may be terminated in whole or in part by KORDSA at any time and for any reason in accordance with this clause whenever KORDSA shall determine that such termination is in the best interest of KORDSA. Any such termination shall be effected by the delivery to the contractor at least thirty (30) business days before the effective date of a Notice of Termination specifying the extent to which performance shall be terminated and the date upon which termination becomes effective. An equitable adjustment in the contract price shall be made for the completed service, but no amount shall be allowed for anticipated profit on unperformed services.
19. Venue: Venue for any claim, action or proceeding arising out of this contract shall be in the city of Chattanooga, TN.

Bid Form					
Item	Description	Quantity	Unit	Unit Price	Total Price
1	4" Steel Pipe, Epoxy Coated Grade "X52", 0.237"	3500	LF	\$ 30.47	\$ 106,645.00
2	4" Cameron 600# FP WxW Valves	2	Units	\$ 6490.00	\$ 12,980.00
3	4" Fittings 90°	5	Units	\$ 68.75	\$ 343.75
4	4" Fittings 45°	10	Units	\$ 71.50	\$ 715.00
SUBTOTAL - PIPE/FITTINGS:					\$ 120,686.75
5	Pipeline Markers	14	Units	\$ 215.50	\$ 3,010.00
6	Cathodic Protection Test Points	2	Units	\$ 665.00	\$ 1,330.00
7	Environmental Controls - Silt Fence	1730	LF	\$ 3.85	\$ 6660.05
8	Environmental Controls - Other	1500	LF	\$ 4.65	\$ 6,975.00
					\$ 17,975.05
					\$ 138,658.80
1	Install 4" steel pipe (direct bury)	3250'	LF	\$ 315.50	\$ 1,023,750.00
2	Install 4" steel pipe (bore)	250'	LF	\$ 355.00	\$ 88,750.00
3	Install 4" Cameron 600# FP WxW Steel Valves	2	Units	\$ 3300.00	\$ 88,750.00
4	Install 4" 90°	5	Units	\$ 1850.00	\$ 9000.00
5	Install 4" 45°	10	Units	\$ 850.00	\$ 8500.00
					\$ 1,216,750.00
6	Install Pipeline Markers	14	Units	\$ 450.00	\$ 6300.00
7	Install CP Equipment-Test Points	2	Units	\$ 450.00	\$ 900.00
8	Install Environment Controls-Silt Fence	3500	LF	\$ 4.15	\$ 14,525.00
9	Install Environment Controls-Other	2000	LF	\$ 4.80	\$ 9,600.00
10	Easement Clearing	1.610	Acres	\$ 23,855.00	\$ 38,406.55
					\$ 40,925.00
					\$ 1,285,675.00
					\$ 138,658.80
					\$ 1,398,333.80
					\$ 1,585,000.00

<sup>1</sup>Total length of pipe is ~3500ft, 250ft of which are under hard surfaces and must be bored. Contractors discretion for installation method for rest of pipe.

<sup>2</sup>Trenchless installation of pipe under hard surfaces is mandatory – no open cut installation of roads, driveways, etc. The unit price of all pipelines installed under roadways, driveways, and other areas shall include all cost including opening and closing the bore pit and receiving pit.



## Bidder's Qualifications &amp; References Form

Name of Bidder: Hunter Utility Construction, LLC

1. The following Subcontractors, Suppliers, other persons and organizations are proposed to be employed to furnish portions of the Work or components of the Goods:

Name	Address	Type of Work	Percent of Total Contract
Landscapes	2001 Sims Street Challanooga, TN	Erosion Control	1.0%
Utility Construction	4200 Bell Ridge Road Apison, TN 37302	Entrapment Clearing	0.7%

2. The following data, statements of experience, personnel, equipment, and general qualifications of the Bidder are submitted as a part of the Bid and the Bidder represents and guarantees the truthfulness and accuracy thereof:

- Our organization has been in business continuously from the year 1999.
- Our organization has had experience in construction comparable to that required by the Contract Documents as a prime Contractor for 21 years and as a subcontractor for 21 years.
- Following is a partial list of construction projects our organization has completed within the past three years which is similar in character and in magnitude to that required by the Contract Documents. This list contains only projects and references completed by crews supervised by the person(s) who will supervise this proposed project for KORDSA.

Year	Client	Client Contact Information	Project Type	Contract Amount
2019	Challanooga Gas Co.	Socrates Sebastian Avarez III	Pipe Replacement	\$1,400,000.00
2018	Challanooga Gas Co.	Michael Courtney	Main Renewal	\$1,835,000.00
2019	Alliant Gas Light	Michael Courtney	Main Renewal	\$ 926,500.00
2020	Southern Company Gas	Michael Courtney	Pipe Replacement	\$1,150,050.00

- d. The following list of supervisory personnel is currently employed by the Bidder and would be assigned to the Project (project manager, superintendents, principal foremen and engineers):

Name	Title	Years of Experience
K. Eugene McCallie	Operations Manager	36 years
William T Shields	Superintendent	35 Years
Charles Lawson	Foreman	12 Years
Aaron Morgan	Safety Coordinator	6 Years



Rod Walker & Associates Consultancy



- e. Attached is a detailed resume of qualifications, previous employers and experience of the supervisory personnel proposed to be assigned to the project.
- f. Following is a list of equipment owned by our organization which is available for use on the Project (attach additional sheets if necessary):

Type of Equipment	Size or Capacity	Present Location
Ditch Witch HDD Drill	3020 30,000 lbs. Pull Back	Chattanooga TN
Rubber Tire Backhoe	B170	Chattanooga TN
Track Excavator	80NX 18,000	Chattanooga TN
Dump Truck	F-750 9 Yard	Chattanooga TN

- g. Following is a list of all projects that the Bidder has undertaken in the last five years which have resulted in partial or final settlement of the contract by arbitration or litigation:

Name of Client and Project	Original Contract Amount	Total Claims Arbitrated or Litigated Amount of Settlement of Claims
N/A	N/A	N/A

- h. Reference is hereby made to the following bank or banks as to the financial responsibility of the Bidder:

Name of Bank	Address
SunTrust/Trust	4614 Highway 50 Chattanooga, TN 37416

- i. Following is a list and description of all safety citations issued to the Bidder over the last three years by any party:

Date	Safety Issue Summary
N/A	N/A



Non-Collusion Affidavit

I, Eugene McCollie [Name] as a representative of Hunter Utility Const. [Bidder] being duly sworn, depose and under the penalty of perjury say that the following is true:

1. I am the person responsible within my firm for the final decision as to the price(s) and amount of this Bid or, if not, that I have written authorization, enclosed herewith, from that person to make the statements set out below on their behalf and on the behalf of my firm.
2. The price(s) and amount of this Bid have been arrived at independently, without collusion, consultation, communication, or agreement for the purpose of restricting competition with any other contractor, competitor, bidder, or potential bidder.
3. Unless otherwise required by law, neither the price(s) nor the amount of this Bid have been disclosed to any other firm or person who is a bidder, competitor, or potential bidder on this Project, and will not be so disclosed either directly or indirectly prior to Bid opening.
4. No attempt has been made or will be made to solicit, cause, or induce any firm, partnership, corporation, or person to submit or not submit a Bid on this Project, or to submit a Bid higher than the Bid of this firm, or submit an intentionally high or noncompetitive Bid or other form of complementary Bid, or for the purpose of restricting competition.
5. The Bid of my firm is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary Bid.
6. My firm has not offered or entered into a subcontracting agreement regarding the purchase of materials or services from any firm or person, or offered, promised, or paid cash or anything of value to any firm or person, whether in connection with this or any other Project, in consideration for an agreement or promise by any firm or person to refrain from proposing or to submit a complementary Bid on the Project.
7. My firm has not accepted nor been promised any subcontract or agreement regarding the sale of materials or services to any firm or person and has not been promised or paid cash or anything of value to any firm or person, whether in connection with this or any other Project, in consideration for my firm's submitting a complementary Bid or agreeing to do so, on this Project.
8. I have made a diligent inquiry of all members, officers, employees, and agents of my firm with responsibilities relating to the preparation, approval, or submission of my firm's Bid on this Project and have been advised by each of them that he or she has not participated in any communication, consultation, discussion, agreement, collusion, act, or other conduct inconsistent with any of the statements and representations made in this affidavit.

Company Name Hunter Utility Construction LLC  
By: Eugene McCollie [Name], Operations Manager [Title]  
Date: May 28, 2021

#### Definitions

##### 1. Headings

The bold headings for each section herein are provided for convenience only; and shall not in any way limit or expand the scope of each section, nor shall it be used in determining the legal effect of said section.

##### 2. Defined Terms

Herein, and in any Contract Document, the following terms shall be defined as follows. This listing of definitions does not limit other definitions made herein:

**Addenda** – Written or graphic documents that change, correct, or clarify the bid requirements or Contract Documents. All Addenda must be issued prior to the opening of bids.

**Bidder** - Individual, corporation, firm, or other entity who submits a proposal for work.

**Bidding Documents** – The bidding requirements as specified in the Instructions to Bidders, Invitation to Bid, and the proposed Contract Documents including any Addenda issued prior to the opening of bids.

**Construction Monitor**: An individual assigned and employed by Owner's Representative who will partake in the periodic monitoring of construction activities.

**Contract** - The entire written agreement between the Owner and the Contractor covering the performance of the work and the furnishing of all labor, equipment, and supplies necessary to complete construction or any part thereof and including documentation all as required by the Contract Documents.

**Contractor** - Individual, corporation, firm, or other entity who undertakes this contract with the Owner.

**Contractor Furnished** - The Contractor shall furnish all personnel, transportation, equipment, machinery, tools, materials, and supplies necessary to install the natural gas pipeline in accordance with the specifications. Contractor will provide all labor, transportation, and pay all expenses in connection with receiving, unloading, storing, hauling, or stringing of all materials from the time of delivery to Contractor until final installation of the materials in the job. Contractor will store, handle, and transport all materials in strict accordance with rules and regulations of regulatory bodies having jurisdiction. Contractor agrees to furnish all other materials for construction and for safeguarding life and property as necessary for the execution of work performed by the Contractor. All materials must be new or approved by Owner's Engineer or Owner's Representative. These materials are to be ordered and received by Contractor.

**Contract Period** – Six months from the date the Contract is assigned or the period until the work is complete and ready for final payment according to the contract terms.

**Easement** - A properly executed document obtained by KORDSA from a property owner or owners defining the area in which work is to be performed.

**Foreman** - The representative of the Contractor who shall be always present on the work site, authorized to receive and fulfill instructions from the Owner or Owner's Representative.

**MSDS:** Material safety data sheets.

**Open Trench Construction** - Installing underground pipe by means of open trench methods such as trenches opened using back hoes or trenching machines.

**OQ** - Operator Qualification for work on natural gas pipelines as defined by 49 CFR 192 Subpart N.

**Owner** - KORDSA Inc.

**Owner's Representative** - Rod Walker & Associates Consultancy

**Pipeline** - All parts of those physical facilities through which gas moves in transportation including pipe, fittings, valves, and fabricated assemblies.

**Project** - A specific construction job or work defined and described and an accompanying set of plans.

**Site** - Area in which the Work is designated to take place including rights-of-way, easements, or other areas when specifically defined.

**Subcontractor** - Any person, firm, partnership, association, joint venture, company, corporation or other entity, regardless of tier, engaged by the Contractor to provide any part of the Work under the resulting contract.

**Trenchless Construction** - Installing underground pipe by means of directional boring or pneumatic mole machines.

**Unit Price Work** - Work paid according to the Unit Prices defined on the completed Bid Form.

**Work** - All labor, services, installation, construction, and documentation necessary to complete the Work defined by the Contract Documents in whole or in part.

## **II. General Contractual Conditions**

### **Local, State and Federal Laws**

The Contractor shall familiarize himself, their employees, and their subcontractors with all Local, State and Federal laws, regulations, and ordinances pertaining to the Work and shall hold harmless KORDSA, RW&A, or their representatives or agents, from any claim or liability arising from the violation of any law by the Contractor or their employees or subcontractors. The





Contractor will be required to follow all laws, regulations, and ordinances affecting the Work defined by the Contract Documents.

#### Contractor Experience

The Contractor shall have prior experience in constructing natural gas pipelines and service lines. Contractor shall also have directional boring experience installing natural gas pipelines and all ancillary work needed to complete the scope of this project. The experience shall include the installation of steel pipe in accordance with written procedures as required by Federal and State regulations. The failure of the Contractor to have such experience may result in a rejection of its bid.

A list of clients for whom the Contractor has performed construction work, along with the name of the appropriate contact person, a description of the work performed, and the dates when such work was performed shall accompany the bid as described in the Bidder's Qualifications & References Form.

#### Insurance and Indemnification

Before starting work, and until termination of supplying products and/or services to KORDSA, the Contractor shall procure and maintain insurance of the types and to the limits specified. The term "KORDSA" and "Owner" as used in this section of the Contract is defined to mean KORDSA inc. itself, any subsidiaries or affiliates, employees, volunteers, appointed representative and agents.

With regard to the Contractor's obligations for products and completed operations, the Contractor shall be responsible for providing and maintaining insurance and contractual agreements for a minimum of at least three years subsequent to the Owner's acceptance of the Work or Completed Operations. Insurance shall be issued by an insurer whose business reputation; financial stability and claims payment reputation is satisfactory to KORDSA. Unless otherwise agreed, the amounts, form and type of insurance shall conform to the following minimum requirements:

1. The Contractor shall purchase and maintain Worker's Compensation Insurance Coverage for all Workers' Compensation obligations whether legally required or not. Additionally, the policy, or separately obtained policy, must include Employer's Liability Coverage of at least \$100,000 each person - accident, \$100,000 each person - disease, \$500,000 aggregate disease.
2. Commercial General Liability coverage must be provided, including bodily injury; property liability for premises, operations, products and completed operations; contractual liability; property damage resulting from collapse or underground exposures and independent contractors. The coverage shall be written on occurrence-type basis with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate. KORDSA must be listed as an additional insured.



3. Commercial Automobile Liability coverage must be provided, including coverage for bodily injury and property damage arising out of operation, maintenance or use of owned, non-owned and hired automobiles. Minimum limits of \$1,000,000 CSL must be provided.

Umbrella Liability Insurance coverage shall not be more restrictive than the underlying insurance policy coverages. The coverage shall be written on an occurrence-type basis.

The Contractor shall purchase coverage on forms no more restrictive than the latest editions of the Commercial General Liability and Business Auto policies filed by the Insurance Services Office. KORDSA shall be an Additional Insured and such coverage shall be at least as broad as that provided to the Name Insured under the policy for the terms and conditions of this Contract. KORDSA shall not be considered liable for premium payment, entitled to any premium return or dividend and shall not be considered a member of any mutual or reciprocal company.

Required Insurance shall be documented in the Certificates of Insurance that provide that KORDSA shall be notified at least thirty days in advance of cancellation, nonrenewal or adverse change or restriction in coverage. KORDSA shall be named on each Certificate as an Additional Insured and this contract shall be listed. If required, the Contractor shall furnish copies of the Contractor's insurance policies, forms, endorsements, jackets and other items forming a part of, or relating to such policies.

The Contractor's required coverage shall be considered primary and all other insurance shall be considered as excess, over and above the Contractor's coverage. The Contractor's policies of coverage will be considered primary as relates to all provisions of the contract.

#### Loss Control and Safety

The Contractor shall retain control over its employees, agents, and subcontractors; as well as control over its invitees, and its activities on and about the work premises and the manner in which such activities shall be undertaken. To that end, the Contractor shall not be deemed to be an agent of KORDSA. Precaution shall be exercised at all times by the Contractor for the protection of all persons, including employees, and property. The Contractor shall make special effort to detect hazards and shall take prompt action where loss control/safety measures should reasonably be expected.

#### Hold Harmless

The Contractor shall indemnify and hold harmless KORDSA and Rod Walker & Associates Consultancy, Inc., its officers, employees, and representatives, from any and all liabilities, damages, losses, and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness or intentional wrongful misconduct of the Contractor and persons employed or utilized by the Contractor in the performance of this contract. The Contractor's obligation shall not be limited by, or in any way to, any insurance coverage or by any provision in or exclusion or omission from any policy of insurance.



#### Contract Documents

Contract documents include the Invitation to Bid, Instructions to Bidders, General Conditions, Proposal, Special Instructions, Any Task Orders, Change Orders, or any Addenda pertaining to Contract Documents. Owner or its representative shall furnish to Contractor a copy of the fully executed Contract Documents.

Any labor, documentation, services, materials, or equipment that may be reasonably inferred from the Contract Documents as being necessary to produce the intended result will be provided by the Contractor whether or not specifically called for at no additional cost to Owner.

#### Award of Contract

Award of contract is done on a cost, qualifications, and suitability basis and will be contingent on the bidder meeting all conditions and requirements of the specifications. The apparent successful Bidder will be sent notice of award. Unsuccessful bidders will also be notified at the same time by email.

#### Default of Contract/Contract Termination

If, in the opinion of KORDSA or its representatives, the Contractor fails to carry out Project work in an acceptable manner, KORDSA or its representative will provide notice to the Contractor in writing of such deficiencies to the address provided by Contractor in its bid. If after five days of provision of the notice, the work has not resumed to the satisfaction of KORDSA, KORDSA may take over the completion of the work within its own organization, enter into agreements with others for the completion of the work, use any such other methods as required to complete the work, and may declare the Contractor in default of the Contract. The Contractor shall be liable for all expenses incurred by KORDSA in completing the work.

In the event that the Contractor is declared in default of the Contract, KORDSA shall have the authority, at its discretion, to terminate the Contract. In the event of a termination, the Contractor shall be paid for completed and acceptable work executed in accordance with the Contract prior to the date of termination, in accordance with the unit prices. Contractor shall be compensated for partially completed work prior to the date of termination in accordance with the unit prices provided so long as such work is acceptable and in accordance with the specifications. Contractor shall not be paid on account of loss of anticipated profits or revenue or other economic loss arising out of or resulting from such termination.

#### Contract Extension

The prices provided by bidder in its Proposal(s) shall remain in effect for a period of six months from the date of execution of the Contract. The Contract may be extended for an additional six months or a year at the sole option of KORDSA, but KORDSA is under no obligation to agree to an extension of the Contract.



## Project Coordination and Meetings

### Project Coordination

#### Contractor shall:

- Coordinate all construction activities as required to ensure efficient and orderly performance of each part of the Work.
- Coordinate all construction activities to avoid interference with other contractor's performing work on the project site under separate contract with Owner.
- Where installation of one part of the Work is dependent on installation of other components, either before or after its own installation, schedule and coordinate construction activities in the sequence required to obtain the best results.
- Where availability of space is limited, coordinate installation of different components.
- Make adequate provisions to accommodate items scheduled for later installation.

### Preconstruction Meeting

The Project Representative for KORDSA will schedule a Preconstruction Meeting and will notify the Contractor and required attendees not less than five calendar days in advance of the proposed meeting time. It is anticipated that the Preconstruction Meeting will be held within five calendar days after Contract Execution. The Notice to Proceed is anticipated to be issued following the Preconstruction Meeting at a reasonable time before construction is to begin. The Preconstruction Meeting will be held at KORDSA offices located at North Access Road, Chattanooga, Hamilton, Tennessee. Note that Authorities Having Jurisdiction may require their own preconstruction meeting with the Contractor and the Owner.

#### Purpose of Preconstruction Meeting:

1. Establish lines of communication at the project working level.
2. Discuss and review administrative requirements of the Contract.
3. Definition of and interpretation of roles and responsibilities in performance of the Contract.
4. Review and discuss Contractor's preliminary project schedule.
5. Review and discuss Contract Documents, including Drawings and Specifications.
6. Review and discuss permitting issues including requirements of authorities having jurisdiction.
7. Review and discuss facility and site access, traffic control, security, and procedural issues.
8. Discuss administration and performance of sign-in and sign-out responsibilities.
9. Coordinate safety activities, including performance of the required Contractor's Health and Safety Plan.
10. Coordinate mobilization activities.

#### Required Attendees:

KORDSA Project Representative.

Owner (KORDSA) Representative.

Engineer.

Contractor, including its project manager, superintendent, and safety officer.

Significant subcontractors pertinent to the agenda.

**Weekly Progress Meetings**

Weekly Progress Meetings will be directed and led by the Project Representative. The Project Representative will prepare, coordinate, convene, and arrange Weekly Progress Meetings.

**Purpose of weekly progress meetings:**

1. Maintain and improve lines of communication.
2. Demonstrate performance of administrative requirements of the Contract.
3. Review and discuss the Weekly Look Ahead Schedule.
4. Review and discuss work quality issues.
5. Review and discuss permitting issues including requirements of authorities having jurisdiction.
6. Review and discuss specific Contract Documents, including Drawings and Specifications.
7. Maintain and improve facility and site access, traffic control, security, and procedural issues.
8. Review and improve ongoing safety activities including performance of the required Health and Safety Plan.

**Required Attendees:**

KORDSA Project Representative.

Engineer.

Contractor, including its project manager, superintendent, safety officer, and others as requested by the Project Representative.

Subcontractors and vendors pertinent to the agenda.

Representatives of authorities having jurisdiction.

**Agenda for Weekly Progress Meetings:**

**Contractor will:**

Ensure that required attendees are prepared and familiar with the Project and the Project Schedule.

Coordinate the time and place of the weekly meetings with the Project Representative.

Ensure the Project Representative has been consulted in advance of the meeting with respect to the proposed attendees and their relationship to the Project.

Submit the Weekly Look Ahead Schedule at least twenty-four (24) hours in advance of the meeting.

Be prepared to discuss the following, to the extent deemed appropriate by the Project Representative:



- a. Review work progress during the preceding week.
- b. Note field observations, problems and decisions.
- c. Identify problems that impede planned progress.
- d. Coordinate activities to the Project Representative's satisfaction to permit the Project Schedule to be maintained or improved.
- e. Develop corrective measures and procedures to maintain or improve the Project Schedule.
- f. Discuss progress of preparation and maintenance of administrative documents required in accordance with this Section.
- g. Discuss updates to the Monthly Update Schedule in accordance with Section 01 32 16 – Project Schedules.
- h. Review planned work identified in the Weekly Look Ahead Schedule in accordance with Section 01 32 16 – Project Schedules.
- i. Review impacts of changes on the Project Schedule.
- j. Discuss status and action related to schedule changes.
- k. Discuss additional scope, costs, schedule impacts, deviations, substitutions and other changes.
- l. Safety Report by the Contractor's safety officer.
- m. Review safety measures, including compliance with the required Health and Safety Plan, and cooperation with governmental agencies, and authorities having jurisdiction.
- n. Maintenance and improvement of quality, work standards, and competence.
- o. Resolution of construction non-conformities.
- p. Review of status logs of submittals, RFIs, and Change Orders.

#### Key Milestone Meetings

Key milestone meetings will be scheduled for various portions of the Work as the Work progresses. Provide suggested agenda for each pre-installation meeting to the Project Representative. At a minimum, the agenda shall include the following:

1. Project conditions, including anticipated temperature and weather conditions, and project-specific issues affecting the Work.
2. Schedule, sequencing, and coordination with Work of other trades.
3. Installation procedures.
4. Quality assurance procedures; specifically, Contractor accommodation of Project Representative inspections of the Work of the relevant Section and other quality expectations.
5. Notification; Coordinate with the Project Representative for notification of required attendees not less than five calendar days in advance of the proposed meeting time.
6. The following is a partial list of systems, assemblies, products and processes for which pre-installation meetings are required:
  - a. Hydrostatic pressure test (pipeline)
  - b. Purging facilities to gas



#### Accounting for Work Performed

Work assigned to the Contractor shall be defined as one unit with a total pipeline length. Work completed shall be defined as a percentage complete of that total length. All invoices submitted for payment of work performed shall identify the segment complete by length. No invoices will be paid unless the project segments are properly identified and inspected.

#### Guarantee

The Contractor agrees to guarantee all work in whole or in part to be free from construction defects for a period of one year from the date of final payment of Contractor's Invoice. Any defects resulting from Contractor neglect or faulty installation shall be repaired by the Contractor at its expense. All such correction of defects will be performed under the direction of the Owner or Owner's designee.

#### Severability

In the event any section herein or any portion of a section herein is deemed unenforceable, the remainder of the Contract is severable and enforceable.

### III. Specifications of Work Performed by Contractor

The Contractor shall install the Pipeline according to the plans agreed upon. Contractor shall provide all equipment, tools and materials necessary to perform the Work. The Contractor's responsibility shall include the performance of all construction necessary to furnish Owner with completed pipeline ready for service with complete Site restoration.

#### Contractor Responsibilities

The Contractor is responsible for: Furnishing loading, unloading, handling, and storing all pipe and other materials; utility locating; all ditching, backfilling, including breaking paved surfaces, tunneling, boring, and any other type of excavations; hauling, stringing, lining, tacking, and welding of pipe and fittings; application of joint coating materials, cleaning, swabbing, and inspecting of pipe to preclude possibility of foreign objects remaining inside the completed line; lowering in and placement of pipe and any pertinent equipment; installation of tracer wire and confirmation of continuity; furnishing labor and materials necessary for pressure testing all lines installed at the direction of the Owner or its representatives and for locating and repairing leaks indicated by test; purging, capping; backfilling, rolling, and compacting backfill; all asphalt and concrete removal and replacement as required, spoil removal, restoration of Site, and hauling, loading and unloading of Site restoration materials, cleanup of sidewalks and roadways affected by the Work; providing as-built drawings and close-out documents.



#### Submittal Procedures

Contractors shall follow the below procedures in submitting documents. A submittal shall not be deemed complete until the submittal has been reviewed and returned by the Project Representative with one of the following annotations: (1) no exceptions taken or (2) make corrections noted.

Submittals will only be accepted from the Contractor. Materials provided by subcontractors, suppliers and others who are not the Contractor will not be received and will not be reviewed or acted upon. All materials and submittals must be submitted to the Project Representative by the Contractor itself, and not through proxies.

Documentation shall be submitted via email to the Project Representative at:

Jeremy Walker, [jwalker@rwalkerconsultancy.com](mailto:jwalker@rwalkerconsultancy.com)

If physical copies are required, submit to

Rod Walker & Associates Consultancy, Inc.

Attn. Jeremy Walker

99 Walnut St. Suite 503

Chattanooga, TN 37403

#### Scope of Work to Be Performed

Cost of constructing new facilities shall include the cost to clear, excavate, install by trench or boring, coat, backfill the new pipeline. Said work shall be performed only in the presence of Owner's Representative, or with specific authorization from Owner.

Contractor is responsible for the performance of all work to the extent consistent with the Contract Documents and reasonably inferred from the Contract Documents as being necessary to produce the intended results. The Contractor is to coordinate their work with that of the Owner to expedite the entire work of all concerned.

#### Work Technical Standards

All work shall be performed in accordance with the Material Manufacturers Specifications and be compliant with all applicable Federal, State, and Local regulations. These standards, manuals, practices, and specifications change periodically, and the most current version must be complied with. It is Contractor's responsibility to verify that it is operating under the most recent revision of the standards, manuals, practices, and/or specifications. Contractor should comply with, but not limited to, the following list:





## Health & Safety

### General

The Contractor is solely responsible for all safety and damage prevention initiatives necessary for the protection of all persons and property affected by the Work. All Work shall conform to all safety regulations affecting the Work, whether Federal, State, or Local, including, without limitation, 49 CFR 192, Pipeline Safety Regulations, O.S.H.A. Regulations, and any amendments thereto. Contractor personnel performing Work of the Project are to comply with the federal Occupational Safety and Health Act of 1970 (OSHA), including revisions, amendments, and regulations issued since the legislation was enacted.

When a situation arises that may affect the safety of persons and property at the Site and is not clearly defined by the regulations listed above, industry best practices will prevail to ensure the highest level of precaution is taken.

### Health Safety Supervisor:

Contractor will assign an individual to serve as the project Health Safety Supervisor. This person is responsible for implementation of the Contractor's Health and Safety Plan. The Health Safety Supervisor can be the same person as the Project Superintendent. The Health Safety Supervisor can be the same person as the Site Safety and Health Officer.

### Site Safety and Health Officer:

Contractor will assign an individual to serve as the project Site Safety and Health Officer. This person will be sufficiently and thoroughly trained in rescue procedures, the use of safety equipment, and the use of gas detectors. The Site Safety and Health Officer can be the same person as the Project Superintendent. The Site Safety and Health Officer can be the same person as the Health Safety Supervisor. The Site Safety and Health officer will ascertain the extent to which applicable regulations affect Work of the Project. In the case of conflict or inconsistency between the regulations, the more stringent regulation or requirement applies. There is no acceptable deviation from the regulations.

The Site Safety and Health Officer will also prepare and implement the Accident Prevention Program.

### Submittals

Contractor will submit the following documentation to Owner's Representative according to the method described in the Submittal Procedures section:

1. **Health and Safety Plan:** Provide a Health and Safety Plan within three weeks following the Notice to Proceed. This plan should:
  - Be specific to the project.
  - Include all aspects of the Work through completion.
  - Include MSDS for chemical materials stored, used, or otherwise required for the Project.
  - Include a map and directions to hospitals and urgent care facilities.
  - Include training for any specific work conditions associated with the Project.

- Provide a system of Informing workers and others about the health and safety conditions of the Work.
  - Include specific measures for continual assessment of working conditions in the vicinity of the excavation work area.
  - Identify responsible parties to implement the Health and Safety Plan.
  - The Site Safety and Health Officer shall participate in the development of the plan.
2. Accident Prevention Program: Prepare and administer in accordance with federal, state, and local jurisdictional requirements. This program should:
- Be specific to the Work and the Project Site.
  - Outline the anticipated hazards and safety controls necessary to safeguard the Contractor's employees, the public, and Owner staff and representatives.
  - Include the name and telephone number of the Health Safety Supervisor responsible for implementation of the plan.
3. Injury Summary Report: Submit a completed Injury Summary Report, to the Project Representative the first weekday of each month in which work is done. This report shall include:
- A summary of all injuries in the reporting period including near misses, slips and falls.
  - A summary of all actions taken.
  - A summary of remedial measures implemented to prevent recurring injuries.
  - A summary of impact to work plan, if any.

Contractor shall revise the Health and Safety Plan and Accident Prevention Program prior to the start of Work as necessary to accommodate changes requested by the Owner, regulatory agencies, and jurisdictions having authority. Contractor shall also revise the Health and Safety Plan and Accident Prevention Program as necessary to accommodate changes in site conditions.

#### Traffic Control and Safety Equipment

The Contractor shall be responsible for furnishing all safety equipment or materials required for the execution of the Work. Detours, signs, lighting, barricades, flagging, and all other safety and traffic control measures must comply with the Tennessee Department of Transportation Design Standards and will be supplied by the Contractor. Maintenance of Traffic (MOT) using the Tennessee Department of Transportation Design Standards will be used on all State, County, and City roadway and right-of-way work. An advanced MOT certified individual must set up and maintain the MOT.

Precaution shall be exercised at all times by the Contractor for the protection of all persons, including employees, and property. The Contractor shall make special effort to detect hazards and shall take prompt action where loss control/safety measures should reasonably be expected.



#### Permits

KORDSA or its Representative shall obtain all necessary permits for the execution of this project and will provide the Contractor with a copy of the necessary permit(s). The Contractor shall be responsible for performing all work in accordance with the terms and conditions of the permits. The Contractor is not permitted to proceed with the work provided in a Work Order unless it has received the necessary permits. The contractor must maintain a copy of all issued permits for a specific Work Order at the active location of the Work associated with that Work Order.

In the event of performing the Work, the Contractor determines or has reason to suspect that a permit not issued by Owner is necessary or relates to the Work at the Site, it is the responsibility of the Contractor to inform the Owner of the need to investigate said permit.

When a lane closure is deemed necessary, it must be approved by Owner or its representative, and the Contractor is then responsible for notifying the appropriate State, County, or City agency and following the required MOT plan.

The Contractor shall be responsible for notifying the appropriate agency upon initiation of work within specific agencies right-of-way. The Contractor's responsibilities shall include the coordination of matters related to issued permits with the above-referenced authorities including the prompt correction of all discrepancies.

#### Work Force

The Contractor shall at all times have a competent Foreman in charge of operations to whom instructions can be given and upon whom responsibility can be placed. Any employee declared by KORDSA or its representatives to be incompetent or untrustworthy shall be immediately replaced and not employed in any capacity on the Projects. Contractor shall not employ any person or subcontractor, whether initially or as a replacement, with whom KORDSA may have reasonable objection. Contractor shall obtain Owner's approval to subcontract any work, prior to commencing the work.

The Contractor shall retain control over its employees, agents, and subcontractors, as well as control over its invitees and its activities on and about the Site.

The Contractor shall have available enough competent personnel to ensure that all tasks involved with the completion of the contract and be performed safely and in a timely manner.

#### Qualification of Personnel

The Contractor shall be responsible for training, qualifying, and evaluating its personnel, and any subcontractors, to perform work on natural gas pipelines. Training must meet the requirements of all Federal, State, and Local regulations. Proof of OQ training for each person working for the Contractor or Subcontractor must be provided to the satisfaction of the Owner's Safety Representative.



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Contractor shall meet, as a minimum requirement all applicable sections of 49 C.F.R 199 "Drug and Alcohol Testing".

All work shall be performed by qualified workers in accordance with the Operator Qualification (OQ) section of the federal pipeline safety regulations (49 CFR Part 192, Subpart N; and 49 CFR Part 195, Subpart G) and shall comply with any updates or amendments as issued by the applicable Federal, State or Local Agency.

#### Working Hours

Unless specified, or when necessary for safety of the Contractor, all work by Contractor shall be performed during regular working hours which is Monday through Friday sunrise to sunset or a set time schedule agreed to by all parties. The performance of work during overtime hours, weekends, or federally recognized holidays must be approved by KORDSA or its representatives.

#### Post-Construction Documentation

Contractor is responsible for submitting documentation to close Job as required by Owner. Closing documentation may be required on paper and/or electronically as stipulated by the Owner. The required documentation will be submitted to the assigned Construction Monitor or the Owner's Representative. Required documentation includes but may not be limited to any deviations from the original plans, as-built drawings, pressure tests, material usage, installation methods, permit documents, bore logs, service materials, and any other documentation unique to the specified Work. The Contractor is responsible for designating the actual materials used, the feet of pipe installed, and any unit price work completed.

#### Easements and Site Accessibility

KORDSA shall provide all Easements when necessary for installation of the pipeline on private property. Contractor shall not install or construct gas mains or pipelines on property outside of the defined easement without written authorization from the Owner.

Use of the Job Site shall be limited to what is required for the Work scheduled within a limited block of time defined as "Work Hours". Contractor's equipment shall be removed from the Site when no longer required for ongoing work. Storage of equipment, materials, and debris shall not unreasonably encumber the Site. Vehicles at the Site should be limited to those owned and insured by the Contractor and designated with contractor company name.

The Contractor shall be responsible for protecting both public and private monuments. No trees or shrubs shall be cut in a public right-of-way or on private property without written permission from the appropriate authority or owner of the property. Contractor shall be responsible for any costs associated with the failure to obtain such permission.



#### Locating Utilities

The Contractor shall be responsible for all utility locates, both overhead and underground, in the construction area and adjacent area. When excavating, the Contractor must adhere to Tennessee 811 best practices. It is the responsibility of the Contractor to verify the Tennessee 811 response and when a Tennessee 811 member fails to mark their facilities by the due date, the Contractor must use due diligence in locating unmarked utilities and ensuring the utility is not damaged during construction. Contractor shall also be responsible for contacting utilities who are not a member of Tennessee 811 to request locates. Contractor shall perform all locates for natural gas facilities in planned construction areas before beginning Work. All damaged utilities shall be repaired at Contractor's expense or it is the responsibility of the Contractor to coordinate repair with damaged utility owner. In any case where the Contractor has evidence to show they are not at fault for damage of utility, the Contractor is responsible for coordination with damaged utility owner for determining responsible party. Damage to KORDSA facilities may be deducted from any amounts due to Contractor.

#### Responsibility to the Public

The Contractor shall maintain proper liaison with property owners while performing work on public rights-of-way or private property. Contractor shall respond promptly to any complaints received from property owners or any complaints referred to the Contractor by KORDSA. All excavated areas shall be properly backfilled and neatly dressed. All construction debris shall be promptly removed from the jobsite as soon as practical. The Contractor shall be responsible for follow up jobsite restoration resulting from its failure to perform initial restoration in a manner satisfactory to the owner. If public right-of-way or private property is not restored within reason to satisfaction of KORDSA or Owner's Representative, Owner's Representative shall request Contractor to make the needed repairs. If Contractor has not made repairs within 48 hours of request, KORDSA personnel will restore the owner's property and the cost of time and materials will be deducted from the invoice until the cost is recovered by KORDSA.

#### Construction Monitoring

Monitors shall be designated by Owner or Owner's Representative to inspect the Work done by Contractor, as the Owner deems necessary. Monitors are not authorized to revoke, alter, or waive any requirement of the specifications. They shall be authorized to call to the attention of the Contractor any failure of the Work to conform to specifications and the Contract and shall have the authority to reject materials or suspend the Work until any question at issue can be referred to and decided by the Owner. The presence of the Monitor shall in no way lessen the responsibility of the Contractor to perform its work in accordance with the Contract. Monitor can provide technical interpretations of the Tasks. The monitor shall check quality, progress, quantity of work performed, and maintenance of Site. Monitor will observe final pressure tests and accuracy of as-built drawings on completed work.



The Contractor shall furnish the Owner and the Owner's Representative with every reasonable facility for ascertaining whether the work performed is in accordance with the requirements and Intent of the plans, specifications and Contract. Contractor agrees to promptly remedy any defective work or failures to perform its work in accordance with the requirements and Intent of the plans, specifications, and Contract, at Contractor's expense. If the Owner or its Representative requests, the Contractor shall at any time before acceptance of the work, remove or uncover such portions of the finished work as may be directed. After examination, the Contractor shall restore the uncovered portions of the work to the standard required by the specifications. Should the work thus exposed or examined prove acceptable, the uncovering or removing and replacing of the covering or replacing of parts or segments removed shall be paid as Extra Work or according to unit prices in the Proposal; but should the work so exposed or examined prove unacceptable, the uncovering and removal and the replacing of covering or re-installation of parts or segments removed shall be at the Contractor's expense. Failure to reject any defective work or material shall not in any way prevent later rejection when such defect is discovered or obligate KORDSA to final acceptance.

#### Supply and Inspection of Materials

The contractor shall furnish pipe, fittings, valves, and other materials, it shall be the responsibility of the Contractor to examine all materials received from its Suppliers for any visible defects and to reject materials with visible or ascertainable defects. The Contractor shall bear the same responsibility for installing materials with visible or ascertainable defects as for performing faulty work.

Should the Contractor fail or refuse to remove and renew any visibly defective materials used or work performed, or to make any necessary repairs in an agreeable manner and in accordance with the requirements of the specifications, the Owner or its Representative may have the unacceptable or defective materials or work removed and renewed or may make such repairs as necessary to bring the work into compliance, all at the Contractor's expense. Any expense incurred by Owner in making these removals or repairs shall be paid out of any monies due or which may become due the Contractor. The Owner shall have the right to declare the Contractor in default due to a Contractor's continued failure or refusal to make all necessary repairs promptly, fully, and in an acceptable manner. All costs and expenses incurred thereby shall be charged against the Contractor.

#### Damages

In no event shall the KORDSA or its Representative be liable to the Contractor nor any of its Subcontractors, or any other person or organization, or to any employee or agent for any of the damages arising out of or resulting from a delay caused by or within the control of the Contractor, or delays beyond the control of both the KORDSA, its Representative and the

Contractor, including, but not limited to, fires, floods, epidemics, abnormal weather conditions, acts of God, or acts or neglect by utility owners or other contractors performing other work. With regard to delays claimed to be caused by KORDSA, or its Representative, the Contractor's sole remedy shall be an extension of time to perform the work and KORDSA or its Representative shall not be liable for lost profits, overhead, or any other economic damages as a result of any such delay or any other cause.

#### Environmental Hazards

The Owner's Representative will reference any known environmental conditions or hazards to be within the area of work. This information is for reference only and it is still the responsibility of the Contractor to meet all environmental agency requirements. If any hazardous environmental condition is found by the Contractor that was not referenced in the Project information, the Contractor will not be penalized for any delays in meeting environmental requirements. Contractor shall not resume work until Owner, or its representative has obtained necessary permits.

Contractor shall be responsible and incur all costs for any hazardous environmental condition created by the Contractor, its employees or the Subcontractor and its employees. If a hazardous environmental condition is created the Contractor shall immediately cease work ensuring safety measures are taken, isolate the condition, and notify the Owner or its representative. The Owner or its representative shall then contact the appropriate agencies to investigate the conditions and determine what action is needed to remedy the situation.

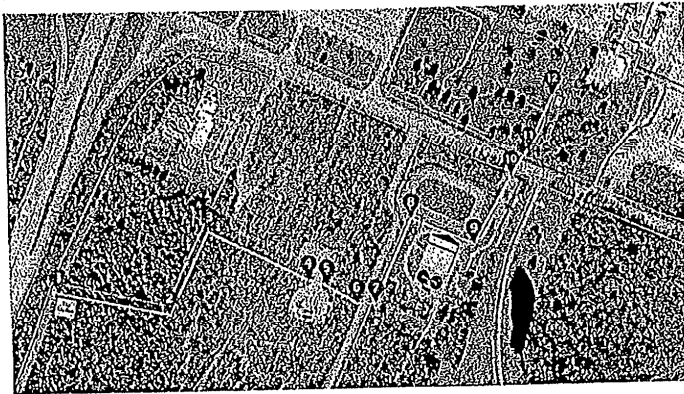
#### Trenchless Pipe Installation / Road Crossing

All roadways and driveways must be crossed via trenchless construction. Open trench construction is only permitted on right-of-way where roads are not intersecting and on KORDSA property. All pipe installation on KORDSA property will be installed in the most cost-effective way that adheres to the schedule. The contractor shall restore all surfaces to preconstruction conditions regardless of method used, at its own cost.

2.10

#### IV. Route Maps

Map(s) provided herein are for illustrative and planning purposes and not issued for construction. Bidder retains sole responsibility for verifying exact location and placement of pipe, boring entry and exit points, location of other utilities, and any other existing routing elements.



	Description	Feet to next point
1	Start of Pipeline	562 ft
2	Left turn heading North	455 ft
3	Right turn heading East	549 ft
4	Start of bore across road	170 ft
5	End of bore across road	194 ft
6	Start of bore across road	65 ft
7	End of bore across road, left turn North	430 ft
8	Right turn East	380 ft
9	Left turn North	385 ft
10	Start of bore across road	115 ft
11	End of bore across road	295 ft
12	End of pipeline	0 ft



**Bidder's Agreement**

The undersigned, as Bidder, does declare that no other persons other than the Bidder herein named has any interest in this proposal or in the contract to be taken, and that it is made without any connection with any other person or persons making a proposal for the same articles, and it is in all respects fair and without collusion or fraud.

The undersigned further declares that he has carefully examined the specifications and is thoroughly familiar with their provisions and penalties.

The Bidder proposes and agrees if this Proposal is accepted, to contract with KORDSA, in the form of contract specified, to furnish all the materials, equipment, machinery, tools, apparatus, labor, means of transportation (including freight costs) necessary to construct the gas pipeline at the unit prices listed in the bid form and in accordance with specifications and conditions described in the Contract documents, when requested to do so by KORDSA\*

K. Eugene McCallie

Authorized Signee (Print)

K. Eugene McCallie

Authorized Signee (Signature)

May 28, 2021

Date



KORD & ASSOCIATES, INC.



Bld Form					
Item	Description	Quantity	Unit	Unit Price	Total Price
1	4" Steel Pipe, Epoxy Coated Grade "XS2", 0.237" Wall	3500	LF	\$ 28.90	\$ 101,300.00
2	4" Cameron 600// FP WxW Valves	2	Units	\$ 7521.00	\$ 15,042.00
3	4" Fittings 90°	5	Units	\$ 125.30	\$ 626.50
4	4" Fittings 45°	10	Units	\$ 125.30	\$ 1,253.00
SUBTOTAL - PIPE/FITTINGS:					\$ 118,282.50
5	Pipeline Markers	14	Units	\$ 57.15	\$ 801.00
6	Cathodic Protection Test Points	2	Units	\$ 126.75	\$ 253.50
7	Environmental Controls - Silt Fence	1730	LF	\$ 1.15	\$ 1,979.50
8	Environmental Controls - Other	1500	LF	\$ 2.35	\$ 3,525.00
					\$ 6,580.00
					\$ 124,592.00
1	Install 4" steel pipe (direct bury)	3250 <sup>1</sup>	LF	\$ 44.75	\$ 145,437.50
2	Install 4" steel pipe (bore)	250 <sup>2</sup>	LF	\$ 46.00	\$ 11,500.00
3	Install 4" Cameron 600// FP WxW Steel Valves	2	Units	\$ 845.00	\$ 1,690.00
4	Install 4" 90°	5	Units	\$ 325.00	\$ 1,625.00
5	Install 4" 45°	10	Units	\$ 325.00	\$ 3,250.00
					\$ 18,002.50
6	Install Pipeline Markers	14	Units	\$ 150.00	\$ 2,100.00
7	Install CP Equipment-Test Points	2	Units	\$ 685.00	\$ 1,370.00
8	Install Environment Controls-Silt Fence	3500	LF	\$ 4.15	\$ 14,525.00
9	Install Environment Controls-Other	2000	LF	\$ 6.50	\$ 13,000.00
10	Easement Clearing	1.610	Acres	\$ 51,000.00	\$ 82,110.00
					\$ 113,425.00
					\$ 286,421.50
					\$ 124,592.00
					\$ 411,020.00
					\$ 450,000.00



KORDSA



# Bidder's Qualifications & References Form

Name of Bidder: Martin Contracting, Inc.

1. The following Subcontractors, Suppliers, other persons and organizations are proposed to be employed to furnish portions of the Work or components of the Goods:

Name	Address	Type of Work	Percent of Total Contract
Consolidated Pipe & Supply Co. Inc.	2821 Summit Hill Ln. Jeffersonville, IN 47130	Supplier	25.7%

2. The following data, statements of experience, personnel, equipment, and general qualifications of the Bidder are submitted as a part of the Bid and the Bidder represents and guarantees the truthfulness and accuracy thereof:

- Our organization has been in business continuously from the year 2012.
- Our organization has had experience in construction comparable to that required by the Contract Documents as a prime Contractor for 9 years and as a subcontractor for 9 years.
- Following is a partial list of construction projects our organization has completed within the past three years which is similar in character and in magnitude to that required by the Contract Documents. This list contains only projects and references completed by crews supervised by the person(s) who will supervise this proposed project for KORDSA.

Year	Client	Client Contact Information	Project Type	Contract Amount
2021	Della Hqs Co.		6700' 4" Steel Hqs	243,000.00
2020	Amos Energy	Silas Bolen 270-570-0445	1842' 4" Steel Hqs	141,000.00
2020	Amos Energy	Rayan White 270-924-1706	1200' 10" Steel Hqs	89,922.00
2018	Amos Energy	Silas Bolen 270-570-0445	5300' 8" Steel Hqs	607,002.00

- d. The following list of supervisory personnel is currently employed by the Bidder and would be assigned to the Project (project manager, superintendents, principal foremen and engineers):

Name	Title	Years of Experience
Patrick Fiddon	Project Manager	19 years
Chad White	Foreman	15 years



Request for Proposal for Construction of the



- e. Attached is a detailed resume of qualifications, previous employers and experience of the supervisory personnel proposed to be assigned to the project.
- f. Following is a list of equipment owned by our organization which is available for use on the Project (attach additional sheets if necessary):

Type of Equipment	Size or Capacity	Present Location
Vermore 2330 Drill	24,000 lbs	Campbellsville, KY
Link-Belt 350X3 Excavator	60,000 lbs	Richmond, KY
Dozer 2456 Excavator	64,830 lbs	Richmond, KY
Case 621G Loader	28,154 lbs	Richmond, KY

- g. Following is a list of all projects that the Bidder has undertaken in the last five years which have resulted in partial or final settlement of the contract by arbitration or litigation:

Name of Client and Project	Original Contract Amount	Total Claims Arbitrated or Litigated Amount of Settlement of Claims
NA		

- h. Reference is hereby made to the following bank or banks as to the financial responsibility of the Bidder:

Name of Bank	Address

- i. Following is a list and description of all safety citations issued to the Bidder over the last three years by any party:

Date	Safety Issue Summary
NA	



State of Maryland  
Department of Transportation



# Non-Collusion Affidavit

I, Shawn Martin (Name) as a representative of Martin Contracting, Inc. (Bidder) being duly sworn, depose and under the penalty of perjury say that the following is true:

1. I am the person responsible within my firm for the final decision as to the price(s) and amount of this Bid or, if not, that I have written authorization, enclosed herewith, from that person to make the statements set out below on their behalf and on the behalf of my firm.
2. The price(s) and amount of this Bid have been arrived at independently, without collusion, consultation, communication, or agreement for the purpose of restricting competition with any other contractor, competitor, Bidder, or potential Bidder.
3. Unless otherwise required by law, neither the price(s) nor the amount of this Bid have been disclosed to any other firm or person who is a Bidder, competitor, or potential Bidder on this Project, and will not be so disclosed either directly or indirectly prior to Bid opening.
4. No attempt has been made or will be made to solicit, cause, or induce any firm, partnership, corporation, or person to submit or not submit a Bid on this Project, or to submit a Bid higher than the Bid of this firm, or submit an intentionally high or noncompetitive Bid or other form of complementary Bid, or for the purpose of restricting competition.
5. The Bid of my firm is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary Bid.
6. My firm has not offered or entered into a subcontracting agreement regarding the purchase of materials or services from any firm or person, or offered, promised, or paid cash or anything of value to any firm or person, whether in connection with this or any other Project, in consideration for an agreement or promise by any firm or person to refrain from proposing or to submit a complementary Bid on the Project.
7. My firm has not accepted nor been promised any subcontract or agreement regarding the sale of materials or services to any firm or person and has not been promised or paid cash or anything of value to any firm or person, whether in connection with this or any other Project, in consideration for my firm's submitting a complementary Bid or agreeing to do so, on this Project.
8. I have made a diligent inquiry of all members, officers, employees, and agents of my firm with responsibilities relating to the preparation, approval, or submission of my firm's Bid on this Project and have been advised by each of them that he or she has not participated in any communication, consultation, discussion, agreement, collusion, act, or other conduct inconsistent with any of the statements and representations made in this affidavit.

Company Name Martin Contracting, Inc.  
By: [Signature] (Name), President (Title)  
Date: May 28, 2021

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IN THE TENNESSEE PUBLIC UTILITY COMMISSION  
AT NASHVILLE, TENNESSEE

IN RE:

JOINT REQUEST OF CHATTANOOGA  
GAS COMPANY AND KORDSA, INC.  
FOR APPROVAL OF SPECIAL  
CONTRACT

DOCKET NO. 21-00094

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RESPONSE OF KORDSA TO CONSUMER ADVOCATE'S  
THIRD INFORMAL DISCOVERY REQUESTS

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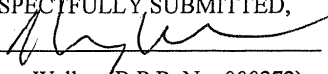
3-1 Refer to the Company's response to Item 2-5 of the Consumer Advocate's second data request regarding communication with East Tennessee Natural Gas Pipeline and its affiliates. The Company's reply states, in part, that "Kordsa is not aware of any other substantive communications between the two companies relevant to this project." However, the request also asked for all communication between Kordsa's agents (specifically Tennessee Energy Consultants/Earl Burton and Rod Walker & Associates/Rod Walker) and East Tennessee Natural Gas Pipeline and its affiliates. Therefore, we have provided all communication between all of Kordsa's agents, including Tennessee Energy Consultants/Earl Burton and Rod Walker & Associates/Rod Walker, with East Tennessee Natural Gas Pipeline and its affiliates regarding Kordsa's plant in Chattanooga.

**RESPONSE:**

In response to your question, I contacted Earl Burton who, in turn, contacted Rod Walker & Associates. Both Mr. Burton and Rod Walker & Associates report that they have had no substantive written communications (including emails) with ETNG or its affiliates concerning this project other than what has already been provided.

4864-6102-6306.2

RESPECTFULLY SUBMITTED,

  
Henry Walker (B.P.R. No. 000272)  
Bradley Arant Boult Cummings, LLP  
Roundabout Plaza  
1600 Division Street, Suite 700  
Nashville, TN 37203  
615-252-2363  
[hwalker@bradley.com](mailto:hwalker@bradley.com)

*Attorneys for Kordsa, Inc.*