SCS FIELD SERVICES















Proposal GCCS OM&M Services Strawfloor Road Landfill

Presented to:



City of Jonesboro
Public Works Department
307 Vine Street
Jonesboro, Arkansas 72403
(870) 336-7282

Presented by:

SCS FIELD SERVICES

1901 Central Drive Suite 550 Bedford, Texas (817) 571-2288

January 14, 2009 File No. F13508

Offices Nationwide www.scsengineers.com

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SECTION 1 BACKGROUND

The Strawfloor Road Landfill (Site) is not currently subject to the operational requirements of Title 40 Code of Federal Regulations Part 60, Subpart WWW (aka New Source Performance Standards or NSPS). For sites subject to NSPS operational requirements, these rules provide specific standards for the operation and maintenance of the gas collection and control system (GCCS), particularly as they concern the operational performance of the wellfield. In addition, they also establish monitoring, recordkeeping, and reporting requirements.

Currently, the GCCS for the Site consists of 57 landfill gas (LFG) extraction wells, header collection piping, and condensate collection locations all served by a blower/flare station (BFS) system. Collected LFG is combusted in a utility flare. Collected condensate is pumped to an aboveground storage tank.

SECTION 2 SCOPE OF SERVICES

SCS-FS will perform GCCS operations, monitoring, and maintenance (OM&M) services for the Site including routine and non-routine wellfield and BFS monitoring and maintenance. SCS-FS will also perform LFG probe and structure monitoring. Reporting of all of these services will be provided. These activities are further described below.

OPERATIONAL GOALS

While GCCS operation is not currently subject to NSPS rules, SCS-FS will operate the GCCS consistent with the NSPS standards. In accordance with NSPS, the following minimum LFG quality standards will apply to measurements taken at each LFG extraction wellhead:

- Static pressure measured at the wellhead must be less than 0.0 inches of water column (i.e., under vacuum).
- LFG temperature measured at the wellhead must be less than 131 degrees Fahrenheit (131° F).
- Oxygen concentration measured at the wellhead must be less than 5.0 percent by volume.

Although not required by regulations, SCS-FS will also attempt to maintain the following LFG quality readings at each wellhead:

- Methane concentration greater than 50 percent
- Balance gas concentration less than 10 percent

These LFG quality readings are overall benchmarks and are not considered absolute minimum or maximum allowable readings; however, they are consistent with NSPS requirements and provide a desirable goal for LFG quality at each wellhead.

TASK 1 - ROUTINE MONTHLY GCCS OM&M SERVICES

Routine GCCS-related services are those services for which the scopes can be reasonably defined at the present time and estimates of costs provided.

Wellfield Monitoring and Maintenance Services

SCS-FS will conduct monthly monitoring and adjustment of the wellfield to ensure proper balancing of the LFG extraction wells. Routine GCCS OM&M services will be provided at each LFG extraction well. During these services, SCS-FS will document the following operational data (as appropriate) for each well:

- Static pressure
- Differential pressure
- LFG flow
- LFG composition (i.e., methane (CH₄), carbon dioxide (CO₂), oxygen (O₂), balance gas)
- LFG temperature

- Wellhead condition
- Propane level
- Condensate storage level

During wellhead monitoring, the technician will listen for leaks. Minor leaks identified during monitoring will be repaired at the time of discovery. Leaks that cannot be fully repaired (e.g., those requiring replacement parts) will be temporarily mitigated in the field (if possible). Permanent repairs will be performed as "non-routine scheduled services" in accordance with the provisions specified below.

Other Wellfield Monitoring and Maintenance Services

Additional wellfield monitoring and maintenance services are indicated below:

- Measurement of header pressure at each well as needed to troubleshoot problems such as decreased available vacuum to a LFG extraction well.
- Measurement of depths-to-liquid in wells where monitoring results indicate elevated liquid levels.
- Observation and monitoring of condensate sumps and/or drip legs to verify their integrity and proper operation.
- Observation for general landfill cover integrity and surface water drainage conditions that might impact LFG collection system operations.
- Replacement of flex hoses and monitoring ports on wells (labor only).

As necessary, issues related to these items will be brought to the attention of landfill management prior to SCS-FS personnel leaving the landfill and documented in the monthly report (see below).

BFS Monitoring and Maintenance Services

SCS-FS technicians will perform routine monthly BFS monitoring including the following services:

- Collect LFG measurements at the BFS including:
 - Instantaneous flow readings (from meter or by pitot tube measurements)
 - Total flow readings (if equipped with a totalizer)
 - Overall system vacuum
 - Blower inlet and outlet pressures and temperatures
 - Flame arrestor inlet and outlet pressures (if equipped with monitoring ports)
 - Composite LFG composition (i.e., CH₄, CO₂, O₂, and balance gas concentrations)
 - Flare temperature
 - Blower run time hours (if equipped with a meter)
 - Blower bearing temperatures

- Blower amperage reading (if equipped with a meter)
- Monitor and record operating status as applicable of various BFS components including:
 - Blower
 - Motor
 - Flare
 - Flare control system
 - Condensate knockout(s)
 - Air compressor
 - Propane tank

SCS-FS personnel will also perform as necessary manufacturer's specified routine preventative maintenance of BFS components including:

- Blower
- Motor
- Flare control system (including flare fire eye)
- Condensate knockout(s)
- Air compressor
- Flame arrestor (clean annually)

This work may include as applicable:

- Tightening of flex hoses, valves, etc.
- Replacement of broken cock valves
- Cleaning of the blower/flare station
- Checking/greasing motor/blower bearings
- Cleaning of the fire eye
- Changing oil, oil and air filters, and oil/water separator on air compressor (labor only)

In addition to the above services, SCS-FS will also assist landfill management with condensate disposal.

Spare Parts and Materials Inventory

As part of its services, SCS-FS will maintain an inventory of spare parts and materials on site for the GCCS (in accordance with the manufacturer's operations manuals for the blower, motor, flare, and compressor). If any of the spare parts or materials in the inventory are used for repairs or maintenance, SCS-FS will notify landfill management and assist as needed with purchase of replacement spare parts and materials.

A schedule of parts will be developed within 60 days of award of contract and provided to the County for procurement.

GCCS OM&M-Related Recordkeeping and Reporting

For monthly GCCS OM&M services, SCS-FS will submit a letter report to the City by the 15th of the month following the month for which wellfield monitoring services were provided. This report will include the following information:

- Monitoring data collected at individual LFG extraction wells.
- Status of each well's compliance with operating requirements for pressure, temperature, and oxygen concentration.
- Summary of BFS operations.
- Cover integrity issues potentially impacting GCCS operations (if any).
- Condensate sump operation and condensate tank capacity status.
- Summary of routine maintenance services performed.
- Summary of non-routine maintenance services performed.
- Recommendations of additional non-routine maintenance or repairs needed (if any).
- Recommendations of enhancements to improve collection system operations and performance (if any).

In advance of submitting the above-described report, SCS-FS will compile collected data on the SCS Data Services server and provide access for designated City personnel to this data. Field data will be uploaded to Data Services for access and review within three workdays following collection by SCS-FS. By placing data on the Data Services server, access will be available to SCS-FS personnel and City personnel at all times via the Internet.

PROJECT MANAGEMENT AND ADMINISTRATION

SCS-FS will provide an adequate level of management and administration to ensure that the project runs smoothly and efficiently. Management/administrative services include scheduling of field activities and reporting, oversight of field activities, invoicing for services, and client communications. Costs for these services are included under the respective tasks.

TASK 2 - NON-ROUTINE GCCS OM&M SERVICES

While this proposal has been prepared to minimize non-routine services and to provide preestablished fixed costs for the most commonly anticipated services, some non-routine services may be necessary at times. Examples of such services are provided below.

Non-Routine Scheduled Services

Non-routine scheduled services consist of corrective repairs or maintenance work identified during routine visits. Such services may include but are not limited to the following:

- Repair of broken valves.
- Replacement of damage wellheads.
- Raising of wells to address waste fill activities.
- Repair of damaged header lines.
- Troubleshooting of well and/or header problems.
- Troubleshooting of pump problems (in wells or sumps).
- Troubleshooting of leachate panel problems.

Such services may be necessary for regulatory compliance or essential for satisfactory system operation; however, the work is of a non-emergency nature and can be scheduled to allow for procurement of materials and/or equipment and scheduling of personnel. Non-routine scheduled maintenance will be performed on a time-and-materials or fixed fee basis and only with prior authorization from the City. For fixed-fee billing, a daily rate that accounts for labor, monitoring equipment, vehicle, and per diem costs has been provided in the cost estimate table below.

Non-Routine Unscheduled Services

Non-routine unscheduled (emergency) services include events that require immediate response for ongoing operation of the GCCS and/or to ensure protection of public health and the environment. Such services may include but are not limited to the following:

- Emergency call-out by landfill personnel.
- Repair of main header line breaks (resulting in no or substantially reduced LFG flow to the BFS).
- Troubleshooting/repair of BFS problems.
- Investigation of surging vacuum in header.

Due to the urgent nature of these items, advance scheduling of work activities may not be feasible; however, SCS-FS staff is prepared to respond to emergencies as needed, 24 hours per day, 7 days per week. Non-routine unscheduled services will typically be performed as required on a time-and-materials basis and only with prior authorization from the City. If agreed upon by both parties, the fixed-fee daily rate provided in the cost estimate table below may be used for emergency services.

TASK 3 - ROUTINE LFG PROBE AND STRUCTURE MONITORING SERVICES

SCS-FS will conduct routine quarterly monitoring of LFG probes and structures in accordance with the site-specific Landfill Gas Management Plan (if applicable) and report results to landfill management. Scheduling of probe monitoring events will be coordinated with site personnel. At a minimum, the following information will be documented for LFG probes for each event:

- Monitoring date and time
- Weather conditions
- Probe condition
- Probe pressure
- Probe methane concentration

SCS-FS will also monitor on-site occupied structures for the presence of methane and verify the operation of any continuous gas monitors in those structures. Should methane be detected in any probes or structures or should any continuous gas monitors be determined to be inoperable, landfill management will be promptly notified at the time of the monitoring event.

SECTION 3 SCHEDULE

SCS-FS is prepared to commence the scope of services described in this proposal beginning March 1, 2009. These services and any required non-routine services will be provided through February 2010.

SECTION 4 ASSUMPTIONS AND CONDITIONS

In preparing this proposal SCS-FS offers the following assumptions and conditions:

- 1. SCS-FS will be responsible for the OM&M of the GCCS at the Site. The GCCS currently consists of 57 LFG extraction wells, below-grade header and lateral lines, associated condensate collection systems, and a BFS system. No expansion of the current system has been accounted for in this proposal.
- 2. All routine monitoring and maintenance services will be performed by a one-man crew.
- 3. Wellheads are in suitable condition for monitoring with a LandTec GEM 2000.
- 4. All materials for flex hose and monitoring port replacement will be provided by the City or obtained by SCS-FS in accordance with the fee schedules provided in the appendices.
- 5. After initial startup services, SCS-FS will be responsible for routine semimonthly monitoring and maintenance of the BFS operation. Except during startup, more frequent checks of the BFS have not been accounted for in this proposal under routine services.
- 6. Quarterly LFG probe monitoring costs do not account for follow-up monitoring of probes or structures resulting from detection of methane concentrations exceeding regulatory limits. Where re-monitoring requiring a separate mobilization is needed, costs will be billed on a time-and-materials or fixed fee basis.
- 7. The City will provide SCS-FS with plans, reports, and manuals that might facilitate completion of the required scope of services. If available, any drawings (e.g., GCCS design plans) will be provided as AutoCAD files.
- 8. All reports will be provided in standardized formats currently utilized by SCS-FS; however, minor changes to the reports as specified by the City will be made.
- 9. No regularly scheduled meetings between the City and SCS-FS have been accounted for in the scope of services; however, it is anticipated that the SCS-FS technician may meet with City personnel on site when performing routine and non-routine services.
- 10. SCS-FS takes no responsibility for the overall quality of the LFG collected from the LFG collection system in regards to trace components.
- 11. SCS-FS takes no legal responsibility for any of the potential hazards associated with the condensate or with the disposal of condensate from the GCCS; however, SCS-FS will assist with coordination and management of condensate removal operations.
- 12. This proposal is valid for 60 days from the date of this submittal. This proposal is confidential and for City use only. If awarded the work, this proposal will become part of a mutually acceptable contract or purchase order.

SECTION 5 COST ESTIMATE

ROUTINE SERVICES (TASKS 1 AND 3) AND NON-ROUTINE SERVICES (TASK 2)

SCS-FS proposes to perform routine and select non-routine GCCS OM&M services on a fixed fee basis for the amounts shown in the table below.

| Task Number | Type of Service | Service Term | Service Period | Fixed Fee Cost per Period | Cost for Service Term |
|-------------------------|---|----------------------|-------------------|---------------------------------|--------------------------|
| Routine | | | | | |
| 1 | Routine GCCS OM&M | 03/2009 - 02/2010 | Monthly | \$2,400 | \$28,800 |
| 3 | Routine LFG Probe and Structure Field Monitoring | 10/2008 - 12/2009 | Quarterly | \$1,000 | \$4,000 |
| Total | | | | | \$32,800 |
| Non-Routine Non-Routine | | | | | |
| 2 | Non-Routine GCCS OM&M Callout | 03/2009 – 02/2010 | Daily | \$1,000 | \$5,0003 |

³ Assumes five callouts per service term; estimate does not account for equipment/materials which will be billed at cost plus 15 percent markup with approval from the City

If agreed to by the City and SCS-FS, two one-year extensions of the contract may be made. For the calendar year 2010 extension, costs will be 5 percent more than those shown in the table above. For the calendar year 2011 extension, costs will be 10 percent more than those shown in the table above.

Any increase in pricing terms will be limited to 5% per extension.

OTHER NON-ROUTINE SERVICES (TASK 2)

For events where the daily callout rate is not appropriate, non-routine scheduled services will be compensated in accordance with the fee schedules provided in the appendices. As needed, SCS-FS will provide the City with time-and-materials/not-to-exceed or fixed fee estimates for specific corrective repairs or maintenance work identified during routine services. Work would proceed subsequent to authorization from the City.

Non-routine unscheduled (emergency) services may also be compensated on a time-and-materials basis in accordance with the fee schedules provided in the appendices if use of the daily callout rate is determined to not be appropriate. Due to the urgent nature of this work, it is assumed that SCS-FS will be required to quickly respond to requests from the City for assistance and will not have sufficient time to provide cost estimates for services in advance. Work would proceed subsequent to authorization from the City.

SECTION 6 CLOSING

In the event the City finds this proposal acceptable, a standard SCS-FS agreement is enclosed for execution by the City.

FEE SCHEDULES

SCS FIELD SERVICES

FEE SCHEDULE

(Effective August 1, 2008 through July 31, 2009)

| Technical Field Personnel | Rate (\$)/Hour |
|--|--------------------------------------|
| Laborer | 48 |
| Fusion Technician | 58 |
| Technician | 59 |
| Equipment Operator | 62 |
| Senior Technician | 70 |
| Foreman | |
| Plant Operator | |
| Superintendent | |
| Senior Superintendent | |
| | |
| Management/Support Personnel | Rate (\$)/Hour |
| Management/Support Personnel Secretarial | The contraction of the second second |
| Secretarial | 45 |
| Secretarial | 45 |
| Secretarial | |
| Secretarial | |
| Secretarial Project Administrator Senior Project Administrator Designer/Drafter Project Coordinator | |
| Secretarial Project Administrator Senior Project Administrator Designer/Drafter Project Coordinator Project Professional | |
| Secretarial Project Administrator Senior Project Administrator Designer/Drafter Project Coordinator | |
| Secretarial Project Administrator Senior Project Administrator Designer/Drafter Project Coordinator Project Professional Senior Project Professional | |

General Terms

- 1. Labor rates are in effect until July 31, 2009. Any work performed after that date is subject to a new Standard Fee Schedule.
- 2. The above rates include salary, overhead, and profit. Other direct charges, such as subcontractors, construction equipment, materials, air travel, freight, auto rental, permits, fees, taxes, tolls, and other costs incurred for the project will be billed at cost plus 15 percent. The cost of equipment owned by SCS Field Services will not be subject to administrative mark-up. Automobile mileage cost is \$0.58 per mile. Trucks will be charged at \$18.00/hour. (No administrative mark-up will be applied to charges for company owned vehicles).
- 3. Invoices will be prepared monthly for work in progress, unless otherwise agreed. Invoices are due and payable upon receipt. Any invoices not paid within 30 days of receipt are subject to a service charge of 1.5 percent per month on the unpaid balance.
- 4. Payment of SCS Field Services invoices for services performed will not be contingent upon the Client's receipt of payment from other parties. Client agrees to pay legal costs,

SCS Field Services Fee Schedule August 1, 2008 through July 31, 2009 Page 2

including attorney's fees, incurred by SCS Field Services in collecting any amounts past due and owing on Client's accounts

- 5. Rates for Principals may be negotiated on a project specific basis. For special situations, such as expert testimony or international assignments, hourly rates will be on an individually negotiated basis.
- 6. On short term or one time assignments, services which require less than eight (8) hours, but more than four (4) hours will be billed at eight (8) hours. A minimum of four (4) hours will be billed for any service requested which is not conducted in conjunction with an ongoing project (including call-outs after normal work hours) and will be charged portal-to-portal, from SCS Field Services offices.
- 7. For operation, construction, and/or repair work performed on weekends and/or nights (if work exceeds 8 hours in a day), the above rates will be marked up 40 percent. For work performed on Company recognized holidays or beyond 12 hours in a day, the above rates will be marked up 70 percent.
- 8. These rates are based on non-union, non-prevailing wage scales.
- 9. For long-term on-site project assignments, rates may be discounted on an individually negotiated basis. Long-term on-site personnel are permitted to return home every four (4) weeks. Travel expense shall be invoiced to Client at cost plus 15 percent.
- 10. Costs for equipment and analysis will be billed in accordance with the rates contained on SCS Field Services Standard Fee Schedule for Equipment and Analysis.

SCS FIELD SERVICES

FEE SCHEDULE FOR EQUIPMENT AND ANALYSIS

(Effective August 1, 2008 through July 31, 2009)

| GEM 500 Gas Analyzer: | | | |
|--|--|--|--|
| Daily Rate | | | |
| GEM 2000 Gas Analyzer: | | | |
| Daily Rate | | | |
| H ₂ S Gas Pod10/day | | | |
| SEM 500 Emissions Monitor: | | | |
| Daily Rate | | | |
| $\begin{array}{lll} Q \ Rae \ Gas \ Analyzer \ O_2/H_2S/CO/Combustibles & 50/day \\ Micro \ Max \ Gas \ Analyzer \ O_2/H_2S/CO/Combustibles & 50/day \\ Gas-Tech \ Tritector \ Gas \ Analyzer \ O_2/H_2S/Combustibles & 45/day \\ Magnehelic \ Pressure \ Set & 20/day \\ Kurz \ Air \ Velocity \ Meter & 35/day \\ Digital \ Readout \ Thermocouple & 25/day \\ Gastech \ Detector \ Tubes/Pump & 15/each \\ Metal \ Bellows \ Vacuum \ Pump & 35/day \\ \end{array}$ | | | |
| Bar Punch: | | | |
| Daily Rate | | | |
| Fisher M95 Metal Detector | | | |
| TVA Flame Ionization Detector: | | | |
| Daily Rate | | | |

| MiniRae 2000 PID: | ate (\$) |
|--|--------------------------------------|
| Daily Rate | 0/week |
| Air Sampling Station: | |
| Daily Rate | |
| Transit: | |
| Daily Rate Weekly Rate Monthly Rate 250/ | 5/week |
| Level: | |
| Daily Rate Weekly Rate Monthly Rate | 5/week |
| Pipe Laser: | |
| Daily Rate Weekly Rate Monthly Rate | 0/week |
| Water Trailer PAS 3000 Air Sampling Pump Tedlar Bag (10-Liter) Non-Contaminating Air Sampling Pump Fyrite Carbon Dioxide Indicator Interface Probe | 25/day 0/each 25/day 15/day |
| Submersible Pump: | |
| Daily Rate Weekly Rate Monthly Rate 450/ |)/week |
| Water Level Indicator: | |
| Daily Rate | - |

| • | Monthly | Rate | 180/r | mont | ŀ |
|---|---------|------|-------|------|---|
|---|---------|------|-------|------|---|

| Rate (\$) 100-Foot Temperature Probe: |
|--|
| Daily Rate |
| Teflon Well Bailer |
| No. 12 P.E. Fusion Machine (1"-2"): |
| Daily Rate |
| No. 14 P.E. Fusion Machine (1"-4"): |
| Daily Rate |
| No. 28 P.E. Fusion Machine (2"-8") |
| 412 P.E. Fusion Machine (4"-12"): |
| Daily Rate |
| 618 P.E. Fusion Machine and Tool Truck |
| Generator (6,000-Watt): |
| Daily Rate |

| Generator (8,000 Watt): |
|-------------------------------|
| Daily Rate |
| Isolation Pinch-off Tools: |
| Daily Rate |
| Leister Extrusion Welding Gun |
| 4-Wheeler (ATV): |
| Daily Rate |
| 4-Wheeler with 44" Mow Deck: |
| Daily Rate |
| Cub Cadet: |
| Daily Rate |
| Chain Saw: |
| Daily Rate |
| Draeger Pump: |
| Daily Rate |

| Rate (\$) Friatec Electrofusion Machine: |
|--|
| Daily Rate |
| Horiba Water Quality Meter: |
| Daily Rate |
| Hydrogen Sulfide Meter: |
| Daily Rate |
| Infrared Thermometer: |
| Daily Rate |
| Micropurge Flow Cell (Groundwater): |
| Daily Rate |
| Oiless Compressor and Control Box (Groundwater): |
| Daily Rate |
| Earth/Resistance Tester: |
| Daily Rate |
| PID: |
| Daily Rate |

| Monthly Rate |
|-------------------------------------|
| Rate (\$) Pitot Tube and Gauges: |
| Daily Rate |
| PLC Program: |
| Daily Rate |
| Pressure Washer: |
| Daily Rate |
| Squeeze Tool: |
| Daily Rate |
| Thermal Anemometer: |
| Daily Rate |
| Turbidity Meter/Conductivity Meter: |
| Daily Rate |
| Vacuum Air Pump: |
| Daily Rate |
| Video Camera System |
| Weed Trimmer |

| • | Daily Rate |
|---|--------------|
| | Weekly Rate |
| | Monthly Rate |
| | |
| | Rate (\$) |

Safety Equipment:

| • | Nitrile gloves (per pair) PVC Gloves (per pair) Rubber booties (per pair) Organic Vapor Cartridges (per pair) Organic Vapor/Acid Cartridges (per pair) Cartridges pre-filters (per pair) Half face respirator (each) Full face respirator (each) Ventilator/manhole blowers | 20/each 15/each 15/each 20/each 25/each 20/day 25/day |
|---|---|---|
| • | Parachute harnessTripod: | |
| | - Daily Rate Weekly Rate Monthly Rate | 105/week |
| • | SCBA | 35/day |

General Terms

- 1. Rates are in effect until July 31, 2009. Any work performed after that date will be subject to a new Schedule of Fees.
- 2. Equipment usage rates are exclusive of freight charges to and from the project site. Freight is an additional expense chargeable to the client.
- 3. Rates for mobile blower/flare stations are exclusive of expenses for mobilization and demobilization, electric line installation, electricity, generators, fuel or permits or weekly routine operation and maintenance. These expenses are charged to the client separately.
- 4. Rates for pressure and flow measurement devices cover all such devices used at the site. For example, if 3 magnehelics and 1 manometer are all used for pressure measurement one day at one site, the total charge would be \$15/day.
- 5. Shipping, supplies, equipment rental, materials, vehicle mileage, and other non-labor equipment costs or direct costs are billed at cost plus 15 percent.

- 6. Equipment rented will be charged portal-to-portal from SCS Field Services offices. Renter is responsible for return charges.
- 7. The cost of equipment owned by SCS Field Services will not be subject to administrative mark-up.



SCS FIELD SERVICES

OPERATION, MONITORING AND/OR MAINTENANCE SERVICES AGREEMENT

THIS AGREEMENT (hereafter "Agreement") is made as of <u>February 23, 2009</u>, by and between the <u>City of Jonesboro</u> (hereafter "Client") and <u>SCS Field Services</u> (hereafter "SCS-FS"), a division of SCS Engineers.

In consideration of the mutual covenants and obligations hereinafter contained, the parties hereto do hereby agree and contract as follows:

SECTION 1: SCOPE OF WORK

SCS-FS shall perform the specific services at the <u>Strawfloor Road Landfill</u> (hereinafter the "Project Site"), in accordance with the terms and conditions of this Agreement, which are described in the Work Scope, Attachment A, dated <u>January 14, 2009</u>, which is hereby incorporated in and made a part of this Agreement. (the "Work")

SECTION 2: TERM OF AGREEMENT

- A. The term of this Agreement is one (1) year commencing on the above date of this Agreement.
- B. The term of this Agreement shall automatically be renewed an additional year, and from year to year thereafter, unless and until either party shall give written notice to the other party of the termination of this Agreement for whatever reason, such termination to be effective on the date specified in the notice, but in any event not earlier than thirty (30) days following the receipt by the other party of the notice.

SECTION 3: COMPENSATION

- A. Client shall pay SCS-FS for the services performed under this Agreement the amounts specified in the Compensation section of the Work Scope, Attachment A, and in SCS-FS' current Standard Fee Schedules, Attachments B and C, which are hereby incorporated in and made a part of this Agreement. The Standard Fee Schedules are subject to modification by SCS-FS on a semi-annual basis, and the Fee Schedules as so modified shall be substituted for the then current Attachments B and C.
- B. Invoices for the services performed and compensation due will be submitted by SCS-FS each month, and are due and payable by Client upon receipt. Payments due SCS-FS shall be subject to a service charge of one and one-half percent (1.5%) per month, compounded monthly, for invoices not paid within thirty (30) days after the invoice date. Payment of SCS-FS invoices are not contingent upon Client's receipt of payment from other parties for the services performed hereunder.

- C. In the event that Client fails to pay any invoice in a timely manner, SCS-FS may suspend its services under this Agreement for non-performance by Client. Upon receipt of the past due payments, together with adequate assurances of payment for future services, SCS-FS will commence performing its services again.
- D. Upon termination of this Agreement, SCS-FS shall submit to Client a final invoice for all services performed to the date of termination, together with any termination expenses incurred.
- E. SCS-FS reserves the right to invoice Client on a more frequent basis than on the monthly basis specified in Section 3.B.

SECTION 4: CHANGES

Client may order changes within the general scope of the Agreement consisting of additions, deletions or other modifications in the services to be performed by SCS-FS as provided herein, and the compensation and time for completion of the work shall be adjusted accordingly. No such change shall become effective until an amendment to this Agreement or its Attachments, or a written change order, has been signed by both Client and SCS-FS.

SECTION 5: NONDISCLOSURE OF INFORMATION

SCS-FS shall not disclose to other parties any Client confidential or proprietary information, trade secret or data obtained by SCS-FS in the performance of its services which is not in the public domain or known to SCS-FS prior to disclosure by Client, without the prior written consent of Client, except as shall be necessary to properly perform its services under this Agreement.

SECTION 6: INDEMNIFICATION

- A. SCS-FS shall indemnify and hold Client harmless from and against any loss, liability, costs or damages which may be sustained by Client by reason of injury, illness or death to persons or damage to tangible property occurring during the performance of its services and resulting from the negligence or willful misconduct of SCS-FS or its agents, employees or subcontractors.
- B. Client shall indemnify and hold SCS-FS and SCS Engineers harmless from and against any loss, liability, costs or damages which may be sustained by SCS-FS or SCS Engineers by reason of injury, illness or death to persons or damage to tangible property resulting from the negligence or willful misconduct of Client or its agents, employees or contractors, or from the presence, discharge or release of any hazardous substance at the project site which is not caused by SCS-FS.

SECTION 7: INSURANCE

- A. SCS-FS shall purchase and maintain during the term of this Agreement the following insurance coverage:
 - (1) Workers' Compensation in accordance with the statutory requirements of the state in which the services are to be performed and employer's liability insurance covering SCS-FS employees engaged in performing the services in the minimum amount of \$1,000,000.
 - (2) Commercial general liability insurance covering death or bodily injury and property damage with minimum limits of \$1,000,000 in the aggregate.
 - (3) Comprehensive automobile liability insurance covering SCS-FS for claims arising from owned, hired and non-owned vehicles covering death or bodily injury with minimum limits of \$1,000,000.
- B. Certificates of insurance confirming the above insurance coverage shall be filed with Client following the execution of this Agreement by both parties.

SECTION 8: FORCE MAJEURE

Neither party shall be liable to the other party for any delay or failure of performance under this Agreement (excluding payment of SCS-FS invoices by Client) which is the result of any cause that is beyond the control and without the fault or negligence of the non-performing party, including but not limited to labor disputes, casualty losses, acts of God, or actions or failures to act by the other party or by any governmental authority.

SECTION 9: RESPONSIBILITY OF THE PARTIES

- A. SCS-FS shall not be responsible for the collection, removal or disposal of any hazardous substance from the Project Site. If contaminated or potentially contaminated materials require characterization, transportation, and/or disposal off-site, then the costs associated with these requirements shall be considered a change pursuant to Section 4 above.
- B. SCS-FS shall not be responsible under this Agreement for the engineering or design of any facilities, equipment or system at the Project Site.
- C. SCS-FS shall not be responsible under this Agreement for the adequacy or suitability of any facilities, equipment or system at the Project Site to control odors or to meet any environmental requirements or operating criteria in the attached Work Scope.
- D. SCS-FS shall be responsible for the coordination and management of the necessary subcontractors and vendors required to support the performance of the scope of SCS-FS services covered under this Agreement.

- E. SCS-FS shall be responsible for providing the necessary portable field instrumentation and small hand tools required to support the performance of the scope of SCS-FS services covered under this Agreement.
- F. Client shall be responsible for all costs associated with any new or additional facilities, equipment or systems required at the Project Site in order to control odors or to meet any environmental requirements or operating criteria in the attached Work Scope.
- G. Client shall be responsible for providing suitable access for SCS-FS to the Project Site during the term of the Agreement.
- H. At no time shall title to hazardous substances, solid wastes, petroleum contaminated or other regulated substances pass to SCS-FS, nor shall any provision of this Agreement be interpreted to permit or obligate SCS-FS to assume the status of a "generator," "transporter," "operator," or "treatment, storage or disposal facility" under state or federal law.
- I. Client shall be responsible for ensuring that SCS-FS will be the only party designated to adjust or operate the system SCS-FS is engaged to service hereunder at the Project Site during the term of the Agreement.

SECTION 10: GENERAL PROVISIONS

- A. Any notice under this Agreement shall be deemed to have been duly given when delivered in person to an officer of SCS-FS or Client, or when sent by certified mail in a pre-paid addressed envelope, if to SCS-FS, addressed to SCS Field Services, <u>1901 Central Drive</u>, <u>Suite 550</u>, <u>Bedford</u>, <u>Texas 76021</u>, and if to Client, addressed to Erick C. Woodruff, or to such other addresses as the parties shall specify in writing to each other.
- B. SCS-FS and Client shall each designate in writing to the other the name of the person who shall be authorized to act as its representative to coordinate the performance of SCS-FS services under this Agreement.
- C. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors, assigns and heirs.
- D. The relationship between SCS-FS and Client in the performance of its services under this Agreement shall be that of an independent contractor.
- E. In the event that legal action is instituted by either party to enforce any of the terms and conditions of this Agreement, the party which does not prevail shall pay the legal expenses, including attorneys' fees, of the prevailing party.
- F. This Agreement and the Attachments hereto represent the entire contract between SCS-FS and Client on the subject matter hereof, and supersede all prior negotiation,

discussions or agreements, whether written or oral, relating thereto. This Agreement may be modified only by a subsequent written instrument signed by both SCS-FS and Client.

- G. For the purposes of this Agreement, the term "SCS Engineers" shall Stearns, Conrad and Schmidt Consulting Engineers, Inc., a Virginia corporation.
- H. During the term of this Agreement and for one year following the termination of this Agreement for any reason, Client represents and warrants that neither Client, nor any entity substantially controlled by Client, will directly or indirectly (a) solicit or seek to induce any SCS-FS, or other SCS Engineers company, employee to work for Client or any other person, or (b) employ any person who has worked for SCS-FS, or other SCS Engineers company, during

the term of this Agreement. In view of the difficulty of determining the damages that may be sustained in the event of a breach of this provision, Client and SCS-FS agree that in the event of a breach of this provision, Client will pay SCS-FS an amount equal to one year of the subject employee's annual salary.

I. SCS shall be entitled to rely on information provided by Client. SCS shall be entitled to an equitable adjustment in the price and schedule if conditions differ materially from information provided by the Client, or differ materially from what reasonably could have been anticipated given the nature of the Services.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers as of the date first written above.

| CLIENT | SCS FIELD SERVICES, |
|-------------------|-----------------------------|
| City of Jonesboro | a division of SCS Engineers |
| Ву: | By: Ron Wilks |
| (Typed Name) | (Typed Name) |
| | Joe MP |
| (Title) | Vice President |

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