

City of Liberty

P.O. Box 127 • Liberty, KY 42539

RECEIVED

SEP 22 2017

PUBLIC SERVICE
COMMISSION

September 13, 2017

Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602

Re: Case No. 2017-00053

Dear Commission,

The leakage survey for the Liberty Gas System has been completed by Heath Consultants. Liberty will mail the final report to the Public Service Commission as soon as it's delivered by Heath. During the survey, one repair was made to a leak prior to receiving the final report. I have included the leakage repair report from the Liberty Gas System as well as the Field Report from Heath Consultants (Attachment A).

The City of Liberty Gas System has updated their policy pertaining to gas leakage surveys to include the required language. The entire gas system located in Liberty will be surveyed annually by Heath Consultants. A copy of the updated policy is included with this letter (Attachment B). Also included is the Service Agreement from Heath Consultants which will expire on December 31, 2022 (Attachment C).

Please contact me at 606-787-9973 or libertybb@windstream.net for any questions or concerns.

Sincerely,



Bridgett Blake, City Clerk
City of Liberty, Kentucky



City Hall
(606) 787-9973

Utilities
(606) 787-6691

Fax (606) 787-7992

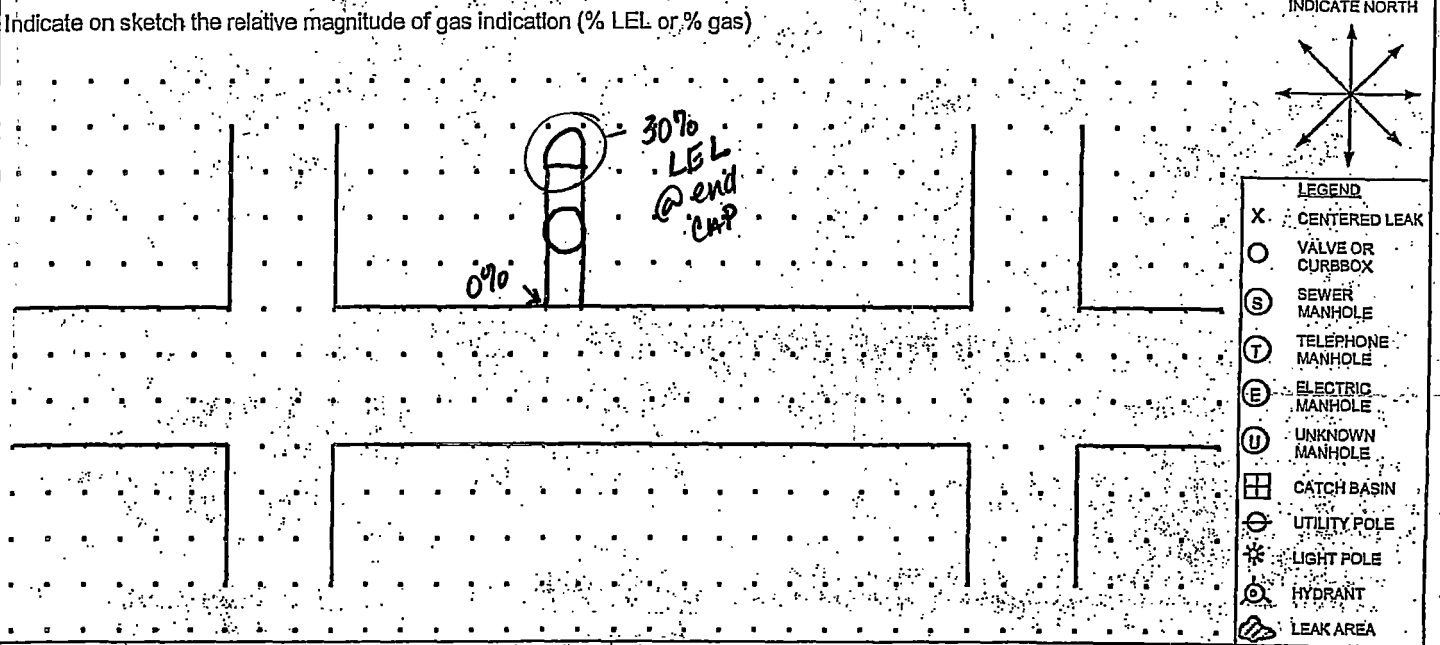
TDD # 1-800-247-2510



DISTRIBUTION PLANT INSPECTION AND LEAKAGE REPAIR

INSPECTED BY Darin Wesley REPORTED TO Taime Jones AT 2:30pm DUR ON 08 28 17

CO *	LOC. NO.	MAP NO.	SYSTEM NO.	DATE	ORIG. CODE *	REF. LEAK ORDER NO.	FOOTAGE INSP.	LEAK GRADE *	LEAK ORDER NO.
				08 28 17	03			2	
STREET NAME/RTE. ADDRESS/LEAK LOCATION			MUNICIPALITY		COUNTY			I/R CODE *	
368 Poppellwell Street			Liberty		Casey			04	
BETWEEN		AND		DETECTOR NUMBER		SERVICE OR WORK ORDER NUMBER		TIME FOUND	
In yard of customer									
GPS LONGITUDE (X) COORDINATE			GPS LATITUDE (Y) COORDINATE			GPS Z COORDINATE			



- LEGEND
- X CENTERED LEAK
 - O VALVE OR CURBBOX
 - S SEWER MANHOLE
 - T TELEPHONE MANHOLE
 - E ELECTRIC MANHOLE
 - U UNKNOWN MANHOLE
 - ⊕ CATCH BASIN
 - ⊖ UTILITY POLE
 - * LIGHT POLE
 - ⊙ HYDRANT
 - ⊞ LEAK AREA

SURFACE TYPE CODE *	TYPE OF AREA	PROBABLE LEAK SOURCE			JOB ORDER OR ACCOUNT NO.
	<input checked="" type="checkbox"/> BUSINESS DISTRICT OR ANNUAL SURVEY <input type="checkbox"/> OUTSIDE BUSINESS DISTRICT (3 YR OR 5 YR SURVEY)	<input type="checkbox"/> TRANSMISSION LINE <input checked="" type="checkbox"/> SERVICE LINE	<input type="checkbox"/> DISTRIBUTION MAIN <input type="checkbox"/> CUST. METER SETTING	<input type="checkbox"/> MAIN VALVE <input type="checkbox"/> STATION PIPING	

REMARKS: Found during annual leakage survey. Leaking at end cap (riser).
Customer called the next day saying they smelled gas. Repaired immediately.
Installed new valve and shut-off valve - no meter.

EXPOSURE DATA	MATERIAL CODE	PIPE CONDITION CODE	CORROSION CODE	PITS CODE	INTERNAL CORROSION FOUND?	COATING CODES		EXPOSED PIPE (FT)	DEPTH OF COVER (IN)	SOIL TYPE REMOVED CODE	YEAR INSTALLED	NO. OF EXISTING CLAMPS	PIPE SIZE		CORROSION CONTROL CODE *
						CONDITION	TYPE						INCHES	FRACTION	
SERVICE LINE	P		N	N	X	N	NO	0	0	6	?		1"		
MAIN															

LEAK CLEARANCE DATA	CLEARED BY CODE *	LEAK LOCATION CODE *	LEAK CAUSE CODE *	NO. CLAMPS INSTALLED	NO. ANODES INSTALLED	OPERATING PRESSURE CODE *	CLEARED DATE
	42	53	F	0	0	LP	08 28 17

REMARKS: (include mention of the other underground structures and leakage encounters)

REPAIRED BY	DATE	REINSPECTED BY	DATE	OTHER REFERENCE NUMBER (DAMAGE REPORT, FACILITY FAILURE REPORT, J.O., OTHER)
<u>Darin Wesley</u>	<u>8/28/17</u>			
CLEARED BY	DATE	REINSPECTED BY	DATE	
FOLLOWUP INSPECTION BY	DATE	REINSPECTED BY	DATE	PIPE TO SOIL POTENTIAL
FOLLOWUP INSPECTION RESULTS	NEW LEAK ORDER NUMBER (FOLLOWUP INSPECTION OR RECLASSIFICATION)			VOLTS
<input type="checkbox"/> POSITIVE <input type="checkbox"/> NEGATIVE				

* REFER TO DISTRIBUTION PLANT INSPECTION AND LEAKAGE REPAIR CODES FOUND ON REVERSE SIDE.

LEAK REPAIR CODES - EXPOSURE DATA - MAIN OR SERVICE LINE

CODE MATERIAL S STEEL P PLASTIC CI CAST IRON WI WROUGHT IRON OT OTHER CU COPPER PI PLASTIC INSERT ST STEEL TREATED	CODE PIPE CONDITION G GOOD F FAIR P POOR	CODE CORROSION N NONE G GENERALIZED P LOCALIZED PITTING C CAST IRON GRAPHITIZATION
CODE PITS N NONE S SHALLOW D DEEP	CODE INTERNAL CORROSION FOUND? Y YES N NO X INTERIOR NOT EXAMINED	CODE COATING CONDITION N NONE G GOOD P POOR
CODE COATING TYPE CT COAL TAR-BLACK EX EXTRUDED-YELLOW OR BLACK WA WAX-BLACK OR BROWN EP EPOXY-WHITE, GREEN OR BROWN CJ COATED JOINT OR FITTING OT OTHER NO NONE TP TAPE	CODE SOIL TYPE REMOVED 1 SAND 2 LOAM 3 CLAY 4 ROCKY 5 SLURRY 6 NONE	CODE CORROSION CONTROL TYPE C CATHODICALLY PROTECTED M MITIGATED N NO. C.P./MITIGATION U UNKNOWN

LEAK REPAIR CODES - LEAK CLEARANCE DATA

CLEARED BY CODE 00 - MISTAKE (COMMENTS REQUIRED) 21 - MAIN REPAIR-COMPANY 22 - MAIN REPAIR-CONTRACTOR 23 - MAIN REPLACEMENT OR ABANDONMENT-COMPANY 24 - MAIN REPLACEMENT OR ABANDONMENT-CONTRACTOR 25 - COMPANY SERVICE LINE REPAIR-COMPANY 26 - COMPANY SERVICE LINE REPAIR-CONTRACTOR 27 - COMPANY SERVICE LINE REPLACEMENT OR ABANDONMENT-COMPANY 28 - COMPANY SERVICE LINE REPLACEMENT OR ABANDONMENT-CONTRACTOR 31 - LEAKAGE IS ON CUSTOMER OWNED FACILITY 32 - LEAKAGE IS ON FOREIGN COMPANY'S FACILITY OR DET. TO BE STRAY GAS 33 - NEGATIVE READINGS 34 - RECLASSIFIED 35 - PLANT REGULATOR/STATION PIPING/AUXILIARY EQUIPMENT REPLACED OR REPAIRED 36 - SERVICE METER/REGULATOR/SETTING REPLACED OR REPAIRED 37 - CUSTOMER SERVICE LINE REPAIR-COMPANY 38 - CUSTOMER SERVICE LINE REPAIR-CONTRACTOR 39 - CUSTOMER SERVICE LINE REPLACEMENT OR ABANDONMENT-COMPANY 40 - CUST. SERVICE LINE REPLACEMENT OR ABANDONMENT-CONTRACTOR 41 - VALVE REPAIR - DIG 42 - VALVE REPAIR - NON-DIG	LEAK CAUSE CODE A - CORROSION-BARE B - CORROSION-COATED C - EXCAVATION DAMAGE* D - NATURAL FORCES* E - OTHER OUTSIDE FORCE DAMAGE* F - MATERIAL/WELD/JOINT FAILURE** G - EQUIPMENT FAILURE*** H - INCORRECT CONSTRUCTION/OPERATION** K - OTHER (COMMENTS REQUIRED) <small>* Requires "Damage To Company Pipeline Facilities Report" ** Requires "Facility Failure Report"</small>
	LEAK LOCATION CODE 51 - BODY OF PIPE 52 - PIPE SEAM 53 - THREADED JOINT 54 - WELD JOINT 55 - FUSION JOINT 56 - BELL & SPIGOT JOINT 57 - FLANGE JOINT 60 - MECHANICAL FITTING 62 - COMPONENT BODY 65 - REPAIR DEVICE 70 - OTHER (COMMENTS REQUIRED)
	OPERATING PRESSURE CODE LP - LOW PRESSURE (UNDER 1 PSIG) IP - INTERMEDIATE PRESSURE (1 TO 10 PSIG) MP - MEDIUM PRESSURE (OVER 10 TO 60 PSIG) HP - HIGH PRESSURE (OVER 60 PSIG)

LEAK INSPECTION CODES

CO. (COMPANY) CODES 32 - COLUMBIA GAS OF KENTUCKY, INC. 34 - COLUMBIA GAS OF OHIO, INC. 35 - COLUMBIA GAS OF MARYLAND, INC. 37 - COLUMBIA GAS OF PENNSYLVANIA, INC. 38 - COLUMBIA GAS OF VIRGINIA, INC. 80 - COLUMBIA GAS OF MASSACHUSETTS	ORIG (ORINATION) CODE 00 - MISTAKE DPI # 01 - PROGRAMMED PLANT SURVEY 02 - SUPPLEMENTAL SURVEY 03 - PATROL 04 - CUST. SERV. LINE INSPECTION, INCL. BLDG. INSP. 05 - DIG-IN CALL 06 - POLICE OR FIRE 07 - SERVICE DEPARTMENT 08 - CUSTOMER/PUBLIC CALL 09 - RECLASSIFICATION 10 - FOLLOW-UP INSPECTION 11 - OTHER COMPANY OR CONTRACTOR ACTIVITY 12 - MITIGATION SURVEY 13 - MITIGATION INSTALLATION 14 - PROPANE SYSTEM																								
LEAK GRADE CODE 1 - GRADE 1 LEAK 2+ - GRADE 2 PRIORITY LEAK 2 - GRADE 2 LEAK 3 - GRADE 3 LEAK	# WORK MANAGEMENT ONLY																								
R/R (REPLACE OR REPAIR) CODE 00 - REINSPECT GRADE 3 ONLY 01 - REPAIR MAIN OR COMPANY SERVICE LINE 02 - COMPANY SERVICE LINE REPLACEMENT OR ABANDONMENT 03 - MAIN REPLACEMENT OR ABANDONMENT, OR SERVICE LINE REPLACEMENT ASSOCIATED WITH MAIN REPLACEMENT 04 - CUSTOMER SERVICE LINE REPAIR, REPLACEMENT OR ABANDONMENT 05 - MAIN RETIRE / ABANDONMENT 07 - MITIGATION INSTALLATION	SURFACE TYPE CODE <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">CODE</th> <th style="width: 25%;">DESCRIPTION</th> <th style="width: 25%;">CODE</th> <th style="width: 25%;">DESCRIPTION</th> </tr> </thead> <tbody> <tr> <td>ASPHALT</td> <td>ASPHALT</td> <td>WATER</td> <td>SUBMERGED</td> </tr> <tr> <td>BRICK</td> <td>BRICK</td> <td>EXPOSED</td> <td>EXPOSED DUE TO EROSION</td> </tr> <tr> <td>CONCRETE</td> <td>CONCRETE</td> <td>ABOVEGRD</td> <td>DESIGNED ABOVE GROUND</td> </tr> <tr> <td>GRAVEL</td> <td>GRAVEL</td> <td>OTHER</td> <td>OTHER (COMMENTS REQD)</td> </tr> <tr> <td>SOIL</td> <td>SOIL</td> <td></td> <td></td> </tr> </tbody> </table>	CODE	DESCRIPTION	CODE	DESCRIPTION	ASPHALT	ASPHALT	WATER	SUBMERGED	BRICK	BRICK	EXPOSED	EXPOSED DUE TO EROSION	CONCRETE	CONCRETE	ABOVEGRD	DESIGNED ABOVE GROUND	GRAVEL	GRAVEL	OTHER	OTHER (COMMENTS REQD)	SOIL	SOIL		
CODE	DESCRIPTION	CODE	DESCRIPTION																						
ASPHALT	ASPHALT	WATER	SUBMERGED																						
BRICK	BRICK	EXPOSED	EXPOSED DUE TO EROSION																						
CONCRETE	CONCRETE	ABOVEGRD	DESIGNED ABOVE GROUND																						
GRAVEL	GRAVEL	OTHER	OTHER (COMMENTS REQD)																						
SOIL	SOIL																								



Heath Consultants Incorporated
9030 Monroe Road, Houston, TX 77061

Page No. 7

Date 8-25-17

Status (Circle Status) Pos. Neg.

Leak Indication Classification (Circle Leak Indication)
1 2 3

TIME REPORTED _____

1 LEAK ONLY

**LEAKAGE CONTROL REPORT
FIELD SURVEY**

Company CITY OF LIBERTY District _____

City LIBERTY State KY

Nearest Street Address _____

TYPE OF GAS		LEAK INDICATION FIRST DETECTED (AT) (IN) (BY)			METHOD OF SURVEY		LEAK INDICATION APPEARS TO BE AT:			
Natural	<input checked="" type="checkbox"/>	Atmosphere	<u>RMLD</u>	<input checked="" type="checkbox"/>	Vegetation		Main			
Manuf.		Bar Hole Test			Portable ET <u>GMI</u>	<input checked="" type="checkbox"/>	Service			
L.P.		Man Hole			Mobile F I		Service Tap			
Other		Pit (Reg. or Meter)			Bar Hole		Main At Tie In			
		Valve Box			Other	<u>RMLD</u>	<input checked="" type="checkbox"/>	Drip		
		Main Valve			PRESSURE		<u>Meter RISE ONLY</u>	<input checked="" type="checkbox"/>	Curb Valve	
PIPE DESIGNATION		Curb Valve			High				Main Valve	
Distribution	<input checked="" type="checkbox"/>	Meter Box	<u>RMLD</u>	<input checked="" type="checkbox"/>	Intermediate	<input checked="" type="checkbox"/>			Other	
Transmission		Underground Fuel Tank			Low					
Gathering		Selected Test								
Other										

CGI TEST

Positive	<input checked="" type="checkbox"/>
Negative	

LEAK INDICATION (Vegetation Only)

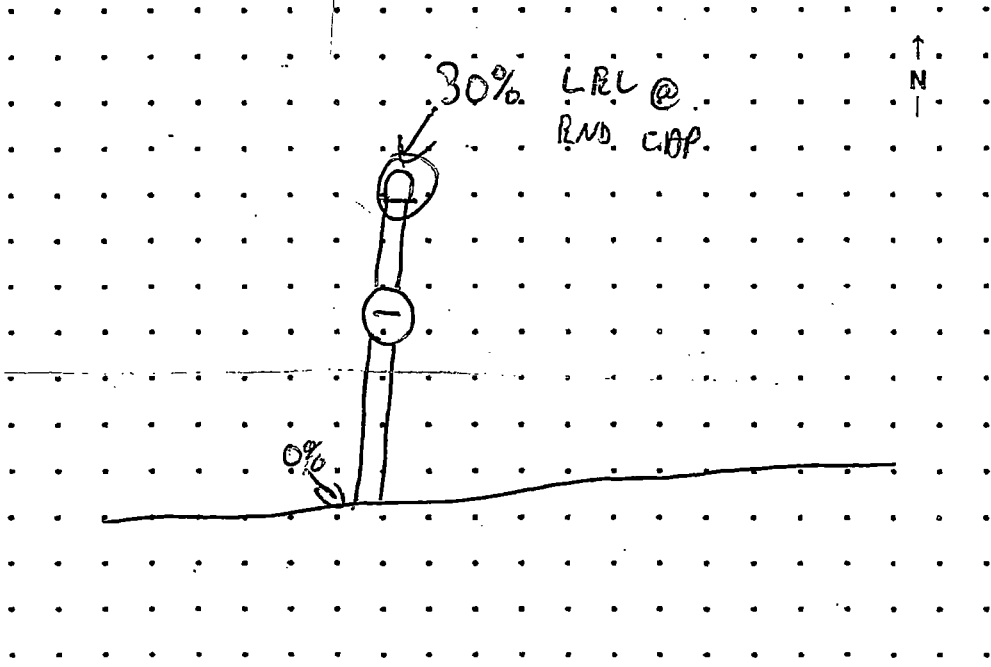
Trees	
Shrubs	
Grass	
Lawn	
Weeds	
Odor	
Other	

LOCATION OF PIPE

Street	
Between St. & Sidewalk	
Under Sidewalk	
Lawn	<input checked="" type="checkbox"/>
Easement	
R.O.W.	
Other	

COVER

Concrete	
Asphalt	
Brick	
Gravel	
Soil	<input checked="" type="checkbox"/>
Other	



Remarks 30% LBL @ END CAP ON RISER.
NOTE! NO METER AND SHUT OFF VALVE IN
OFF POSITION NO OTHER INDICATION.

Purging

- (1) **Required Purging.** Whenever a main or service line is being put into service, it is necessary for all air or other non-combustible gas to be purged from the line.
- (2) **Safety Precautions.** If a polyethylene main is being purged, special precautions must be followed to prevent static electricity from discharging and igniting the escaping gas. Such precautions are described in "Prevention of Accidental Ignition Operator Qualification Task M-7."

Anytime air is being purged with gas, or gas is being purged with air, it is necessary to maintain a rapid flow rate. This will ensure turbulence at the gas/air interface, minimizing the size of the combustible mixture zone.

Care must be taken to ensure that gas is not discharged in an area in which it will accumulate and create a hazard. Potential ignition sources must be kept away.

Leakage Survey

- (1) **Frequency of Surveys.** On distribution lines leakage surveys must be conducted as often as needed to discover leaks, which could result in a hazard. Leakage survey with leak detector equipment must be conducted in business districts and outside business districts at intervals not exceeding 15 months, but at least once each calendar year.

Additional surveys are necessary to assure that leaks have not developed following earthquake, major excavation activities, blasting, washout, landslide, or ground settlement near gas pipeline facilities.

Additional survey may be required as a result of investigation of a failure as covered in "Investigation of Failure."

A calendar system is in place to ensure annual leakage surveys are completed. The Liberty City Clerk will be responsible for scheduling the leakage survey with the contractor each year. The calendar will be checked monthly by the maintenance supervisor to verify that all work has been completed. The Mayor is responsible for overall completion of leakage surveys.

SERVICES AGREEMENT (INDEPENDENT CONTRACTOR)

This Services Agreement (“Agreement”), effective June 20, 2017, is between Liberty Gas Company (“Client”) and Heath Consultants Incorporated (“Contractor”).

SECTION ONE-SCOPE OF WORK:

The work to be performed by Contractor will be set forth in Exhibit A, Scope of Work,

SECTION TWO-PRICE/PAYMENT:

Client will pay Contractor for work performed as set forth in Exhibit B, Price Schedule. Heath Consultants Incorporated reserves the right to invoice the client for additional items required, but not disclosed in the RFP/Quote process as an additional pass through cost to the client as agreed to by both parties. These items will be agreed upon by both parties in writing, prior to billing, via addendum or change order. Terms are Net 30 days.

SECTION THREE-RELATIONSHIP OF PARTIES:

The parties intend that an independent contractor relationship will be created by this Agreement. Performance and control of the work will lie solely with Contractor. The Contractor is not to be considered an agent or employee of Client for any purpose.

SECTION FOUR-CONTRACTOR’S EMPLOYEES QUALIFIED TO PERFORM THE WORK REQUIRED UNDER THIS AGREEMENT UNDER SUBPART N OF SECTION 192 OF THE FEDERAL PIPELINE SAFETY REGULATIONS/WARRANTIES

Contractor warrants and represents that it has an Operator Qualification Program as required by Subpart N of Section 192 of the Federal Pipeline Safety Regulations and that the employees who will perform the Work required under this Agreement have been evaluated and are qualified to perform the tasks required under this Agreement.

SECTION FIVE-INSURANCE TO BE SECURED:

Contractor agrees to maintain such insurance acceptable to Client as set forth on Exhibit C, Insurance Requirements.

SECTION SIX-INDEMNIFICATION

To the fullest extent permitted by law, contractor shall defend, indemnify, and hold harmless Client, its affiliates and each of their respective officers, directors, employees and agents (the “Client-Indemnified Parties”) from and against any and all damages (“damages” means the amount of any actual liability, loss, cost, expense, claim, award or judgment incurred or suffered by an indemnified person arising out of or resulting from the indemnified matter, whether attributable to personal injury or death, property damage, contract claims (including contractual indemnity claims)), torts, or otherwise, including costs of enforcement of the indemnity and (1) reasonable fees and expenses of attorneys, consultants, accountants or other agents and experts reasonably incident to matters indemnified against, and (2) the costs of investigation and/or monitoring of such matters) incurred or suffered by the Client-Indemnified

Parties with respect to bodily injury or death of any person, or loss of, damage to or destruction of real or personal property in any way occurring, incident to, arising out of or in connection with the work performed or to be performed by contractor hereunder or occurring, incident to, arising out of or in connection with the presence of contractor and contractor personnel on the jobsite, **Except that Contractor's obligation to indemnify Client shall not apply to any losses or liabilities arising from Client's sole negligence, or that portion of any liabilities that arise out of Client's contributing negligent acts or negligent omissions.**

To the fullest extent permitted by law, Client shall defend, indemnify, and hold harmless Contractor, its affiliates and each of their respective officers, directors, employees and agents (the "Contractor-Indemnified Parties") from and against any and all damages ("damages" means the amount of any actual liability, loss, cost, expense, claim, award or judgment incurred or suffered by an indemnified person arising out of or resulting from the indemnified matter, whether attributable to personal injury or death, property damage, contract claims (including contractual indemnity claims)), torts, or otherwise, including costs of enforcement of the indemnity and (1) reasonable fees and expenses of attorneys, consultants, accountants or other agents and experts reasonably incident to matters indemnified against, and (2) the costs of investigation and/or monitoring of such matters) incurred or suffered by the Contractor-Indemnified Parties with respect to bodily injury or death of any person, or loss of, damage to or destruction of real or personal property in any way occurring, incident to, arising out of or in connection with the work performed or to be performed by Client hereunder or occurring, incident to, arising out of or in connection with the presence of Client and Client personnel on the jobsite, **Except that Client's obligation to indemnify Contractor shall not apply to any losses or liabilities arising from Contractor's sole negligence, or that portion of any liabilities that arise out of Contractor's contributing negligent acts or negligent omissions.**

This indemnification obligation shall survive the expiration or termination of the Agreement.

This indemnification obligation shall extend to all costs, expenses and damages arising from any infringement, misappropriation or claim of infringement or misappropriation of any process, product, apparatus or combination patent resulting from the use of any designs or other information furnished by the other party and incorporated in the Work or Ancillary Work.

SECTION SEVEN-COMPLIANCE WITH LAW AND SAFETY REQUIREMENTS:

All Work will be performed in accordance with the Federal Pipeline Safety Regulations, NFPA 58 and all applicable propane and pipeline industry safety practices and standards, and in accordance with federal, state and local statutes, rules regulations and ordinances.

SECTION EIGHT-DURATION/RENEWAL/CANCELLATION:

This Agreement expires December 31, 2022. Under this agreement, Client will have the option to renew the Agreement on a year-to-year basis by completing and returning the Option to Renew attached hereto. Please note that during the term of this contract, Contractor may need to pass increases on to the Client and will do so via approved addendum (See Exhibit B). Client or Contractor may cancel the Agreement upon one (1) week's advance notice. In the event this Agreement is terminated under the foregoing provision, Client shall pay Contractor any amounts

due for Work performed by Contractor and/or materials or supplies ordered prior to the date that the termination notice is provided to the non-terminating party.

SECTION NINE-CONFIDENTIALITY:

Contractor will not disclose to third parties any information concerning its work for Client, including, but not limited to, confidential or trade secret information or information regarding Client's customers or potential customers, business and marketing plans, customer lists, credit information, gas usage patterns, pricing and marketing policies and practices, financial information and other operating policies and procedures. Contractor understands that if it violates this Agreement, Client will suffer irreparable harm. Therefore, in addition to any other remedies available to it, Client will be entitled to seek and obtain injunctive or equitable relief, including orders prohibiting violations of this Agreement.

Client will not disclose to third parties any information concerning its work with Contractor, including, but not limited to, confidential or trade secret information or information, business and marketing plans, customer lists, credit information, pricing and marketing policies and practices, financial information and other operating policies and procedures. Client understands that if it violates this Agreement, Contractor will suffer irreparable harm. Therefore, in addition to any other remedies available to it, Contractor will be entitled to seek and obtain injunctive or equitable relief, including orders prohibiting violations of this agreement.

SECTION TEN-MISCELLANEOUS:

- (a) Waiver. Neither the failure nor any delay on the part of either party to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege, nor shall any waiver of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.
- (b) Binding Nature of Agreement. This Agreement shall be binding upon and inure to the benefit of Client and its successors and assigns and shall be binding upon and inure to the benefit of Contractor, its successors and assigns.
- (c) Provisions Separable. The provisions of this Agreement are independent of and separable from each other, and no provision shall be affected or rendered invalid or unenforceable by virtue of the fact that for any reason any other or others of them may be invalid or unenforceable in whole or in part.
- (d) Entire Agreement. This Agreement contains the entire understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements or conditions, express or implied, oral or written, except as herein contained. The express terms hereof control and supersede any course of performance and/or usage of the trade

inconsistent with any of the terms hereof. This Agreement may not be modified or amended other than by an agreement in writing.

- (e) Paragraph Headings. The paragraph headings in this Agreement are for convenience only; they form no part of this Agreement and shall not affect its interpretation.
- (f) Gender, Etc. Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context indicates is appropriate.
- (g) Number of Days. In computing the number of days for purposes of this Agreement, all days shall be counted, including Saturdays, Sundays and holidays; provided, however, that if the final day of any time period falls on a Saturday, Sunday or holiday on which federal banks are or may elect to be closed, then the final day shall be deemed to be the next day which is not a Saturday, Sunday or holiday.
- (h) Compliance with Law/Change in Law. Client shall and shall cause each Client personnel to, comply in all respects with all Law, including U.S. Department of Transportation's nondiscrimination regulations as set forth in the Code of Federal Regulations, Title 49, Part 21.
- (i) This Agreement may be executed in multiple counterparts, each of which shall be deemed an original for all purposes and all of which shall be deemed collectively to be one agreement. The parties agree that execution of this Agreement by a party and the delivery of such party's signature by mail, facsimile transmission, or electronic (e-mail) transmission shall be fully effective as the original signature of such party to the fullest extent as if it were the original copy thereof.
- (j) This Agreement shall be governed and interpreted in accordance with the laws of the State of Texas. Venue of any dispute shall lie in Harris County, Texas.

SECTION ELEVEN-FORCE MAJEURE

Neither party hereto shall be liable for any failure to perform the terms of this Agreement when such a failure is due to "force majeure" as hereinafter defined. The term "force majeure" as used in this Agreement shall mean any delay or default in performance due to any cause beyond the control of the party claiming force majeure and without such party's fault or negligence, including but not restricted to acts of God or the public, civil disturbances, arrests and restraints by rulers and people; acts of the public enemy, wars, riots, insurrections, sabotage; acts, requests or interruptions of the federal, state or local government or any agency thereof; court orders, present and future valid orders of any governmental authority, or nay officer, agency or any instrumentality thereof; floods, fires, storms, epidemics, landslides, lightning, earthquakes, washouts, explosions, quarantine, strikes, lockouts, or industrial disturbances; interruption of transportation, freight embargos or delays in delivery of equipment or service necessary to the performance of any provision of this Agreement; inability to secure right of way, labor shortages,

breakage or accident to machinery or lines of pipe, or any other cause, whether of the kind herein enumerated or otherwise, not reasonable within the control of the party claiming force majeure. Nothing contained in this section, however, shall be construed to require either party to settle a labor dispute against its will.

If as a result of force majeure either party is unable, wholly or in part, to carry out its obligation under this Agreement, other than the obligation to make payment of money due, then, upon such party's giving notice and a description of such cause in writing to the other party as soon as possible after the occurrence of the cause, the obligation of the party giving such notice, so far as it is affected by the cause specified in such notice, shall be suspended for the duration of the cause. Such cause shall, as far as possible, be remedied with all reasonable dispatch.

SECTION TWELVE--NOTICES

All notices, except verbal or email notices with respect to minor questions, shall be in writing and shall be delivered by United States first class mail, postage prepaid, personal delivery, facsimile (with printed confirmation), electronic transmission (e-mail) or nationally recognized overnight carrier to the appropriate party using the following respective addresses:

For Client: Liberty Gas Company
Bridgett Blake
P.O. Box 127
Liberty, KY 42539
Phone: 606-787-9973
Email: LIBERTYBB@WINDSTREAM.NET

For Contractor: Heath Consultants Incorporated
9030 Monroe Road
Houston, Texas 77061
Attention: Gary Lape, Sr. Vice President-Operations
Phone: 713-844-1300
Email: contractsadmin@heathus.com

All notices shall be effective on the party addressee from the time received by such party.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year shown beneath their signatures.

HEATH CONSULTANTS INCORPORATED

WITNESS: 

By: 


Name: Gary Lape (Print)

Title: SR. VP of Operations (Print)
Thereunto duly authorized

Date: 9/14/17

LIBERTY GAS COMPANY

WITNESS: Bridgett Blake

By: 

Name: Steven Brown (Print)

Title: Mayor (Print)
Thereunto duly authorized

Date: 6/20/17

PLEASE RETURN EXECUTED CONTRACT TO: contractsadmin@heathus.com

-OR-

by mail to Contracts Administrator, Heath Consultants Incorporated, 9030 Monroe Rd., Houston, TX 77061

Option to Renew

Client hereby exercises its option to renew its Independent Contractor Agreement between itself and _____, Dated _____, for one (1) year ending on _____.

HEATH CONSULTANTS INCORPORATED

BY:

WITNESS: _____

Signature

Name: _____ (Print)

Title: _____ (Print)

Thereunto duly authorized

Date: _____

LIBERTY GAS COMPANY

BY:

WITNESS: Bridget Blake

Steven Brown
Signature

Name: Steven Brown (Print)

Title: Mayor (Print)

Thereunto duly authorized

Date: 6/20/17

PLEASE RETURN EXECUTED CONTRACT TO: contractsadmin@heathus.com

-OR-

by mail to Contracts Administrator, Heath Consultants Incorporated, 9030 Monroe Rd., Houston, TX 77061

Option to Renew

Client hereby exercises its option to renew its Independent Contractor Agreement between itself and _____ . Dated _____ , for one (1) year ending on _____ .

HEATH CONSULTANTS INCORPORATED

BY:

WITNESS: _____

Signature

Name: _____(Print)

Title: _____(Print)

Thereunto duly authorized

Date: _____

LIBERTY GAS COMPANY

BY:

WITNESS: _____

Signature

Name: _____(Print)

Title: _____(Print)

Thereunto duly authorized

Date: _____

PLEASE RETURN EXECUTED CONTRACT TO: contractsadmin@heathus.com

-OR-

by mail to Contracts Administrator, Heath Consultants Incorporated, 9030 Monroe Rd., Houston, TX 77061

EXHIBIT A

SCOPE OF WORK

[CUSTOMIZED FOR SURVEY]

Leak Survey of Facilities, to include leakage inspection and leakage classification. The inspection will be performed with the use of a Heath DP4[®] with a pump operated sampling system, a DP-IR[™], or an RMLD-IS[®]. All leaks are classified with the use of a Combustible Gas Indicator to GPTC Standards. All leakage and Abnormal Operating Conditions will be documented and reported to the client on Heath forms.

Heath Consultants Incorporated will provide fully trained and Operator Qualified Technician(s) as necessary, along with transportation and all equipment required to perform the Leak Survey, including but not limited to, Heath Consultants Incorporated DP4[®], DP-IR[™], RMLD-IS[®], Combustible Gas Indicator, and Plunger Bar.

EXHIBIT B

PRICE SCHEDULE

The price for this service will be \$75.00 per hour, per technician and \$75.00 per hour, per technician for drive time to and from the project (portal to portal). This price is inclusive of all technician, equipment, vehicle and administrative costs.

Contractor may ask for yearly increases after the first two years of this contract based on cost of living. These increases would be from 2-3% and would be requested via addendum and implemented only after approved in writing by both parties.

See attached Proposal Letter

EXHIBIT C
INSURANCE REQUIREMENTS

[STANDARD HEATH CERTIFICATES ATTACHED.]



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
7/28/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Insgroup, Inc. 1455 West Loop South 9th Floor Houston, TX 77027	CONTACT NAME: Linda Fontenot
	PHONE (A/C, No, Ext): _____ FAX (A/C, No): _____ E-MAIL ADDRESS: lfontenot@insgroup.net
INSURER(S) AFFORDING COVERAGE	
INSURER A: Starr Indemnity & Liability Co.	NAIC #
INSURER B: Underwriters Lloyds London	
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

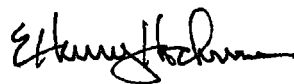
COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER: _____		ST17101181B	7/30/2017	7/30/2018	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS		ST17101182A	7/30/2017	7/30/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ _____ BODILY INJURY (Per accident) \$ _____ PROPERTY DAMAGE (Per accident) \$ _____
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED _____ RETENTION \$ 10,000		ST17101183B	7/30/2017	7/30/2018	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/> N/A				PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ _____ E.L. DISEASE - EA EMPLOYEE \$ _____ E.L. DISEASE - POLICY LIMIT \$ _____
B	Professional Liability		6169199A	7/30/2017	7/30/2018	Aggregate/Each Claim \$10,000,000
B	Pollution Liability		6169199A	7/30/2017	7/30/2018	Aggregate/Each Claim \$5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER **CANCELLATION**

Liberty Gas Company ATTN: Bridgett Blake P.O. Box 127 Liberty KS 42539	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Henry Hochman / 
---------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
2/12/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Commercial Lines - (305) 443-4886 Wells Fargo Insurance Services USA, Inc. 2601 South Bayshore Drive, Suite 1600 Coconut Grove, FL 33133	CONTACT NAME: PHONE (A/C, No, Ext): 888-572-2412 FAX (A/C, No): E-MAIL ADDRESS: certs@trinet.com	
	INSURER(S) AFFORDING COVERAGE	
INSURED Strategic Outsourcing, Inc PO Box 241448 Charlotte, NC 28224 RE: Heath Consultants Incorporated	INSURER A : Indemnity Insurance Company of North America NAIC # 43575	
	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	


COVERAGES **CERTIFICATE NUMBER:** 11422242 **REVISION NUMBER:** See below

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS		
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE	\$	
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$	
							MED EXP (Any one person)	\$	
							PERSONAL & ADV INJURY	\$	
							GENERAL AGGREGATE	\$	
							PRODUCTS - COMP/OP AGG	\$	
								\$	
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident)	\$	
							BODILY INJURY (Per person)	\$	
							BODILY INJURY (Per accident)	\$	
							PROPERTY DAMAGE (Per accident)	\$	
								\$	
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE	\$	
							AGGREGATE	\$	
								\$	
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	WLRC64309602	03/01/2017	03/01/2018	X PER STATUTE	OTH-ER	
							E.L. EACH ACCIDENT	\$	1,000,000
							E.L. DISEASE - EA EMPLOYEE	\$	1,000,000
							E.L. DISEASE - POLICY LIMIT	\$	1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Workers' Compensation Insurance is limited to employees of Heath Consultants Incorporated through a co-employment contract with Strategic Outsourcing, Inc.

CERTIFICATE HOLDER Liberty Gas Company P.O. Box 127 Liberty, KY 42539 ATTN: Bridgett Blake	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

The ACORD name and logo are registered marks of ACORD © 1988-2015 ACORD CORPORATION. All rights reserved.