CONTRACT FOR LINE CLEARANCE

This contract dated <u>January 5, 2023</u> between FLEMING-MASON Energy Cooperative (to be referred to as FLEMING-MASON) and ASPLUNDH TREE EXPERT, LLC to be referred to as the CONTRACTOR) sets forth the agreement between parties for overhead line clearance.

This contract, and in all its provisions, applies to all work to be done by the CONTRACTOR for FLEMING-MASON from <u>January 1, 2023 through December 31, 2024</u>. Such work may include but not be limited to: tree trimming, tree removal, and clearance of rights-of-ways, using manual, mechanical or chemical methods, and disposal of trees and brush.

The CONTRACTOR shall perform the work specified in this contract according to the terms and conditions contained herein and in the Attachments to this Contract. Work shall be performed according to accepted arboricultural practices in compliance with applicable laws, codes, all regulatory requirements of governmental authorities and to the satisfaction of FLEMING-MASON. Any issues that may arise pertaining to performance of this contract shall be referred to FLEMING-MASON'S Operations Superintendent, or his representative.

The CONTRACTOR shall furnish all tools, equipment, materials and hire in its name as its employee's competent and skilled labor and supervision of every kind and sort necessary for the successful completion of the work. It is understood that at all times the CONTRACTOR shall be performing the work as an independent contractor and that nothing contained in this contract shall create a partnership or joint venture with FLEMING-MASON. The CONTRACTOR shall furnish competent supervision as required and may designate a supervisor as the CONTRACTOR'S representative in all matters relating to this contract and the work to be performed hereunder. The CONTRACTOR shall have full responsibility for the work and good conduct of their employees. Directions and instructions shall be given to such employees only by the CONTRACTOR and in no circumstances by FLEMING-MASON or its representative.

During the term of this contract, the CONTRACTOR agrees to support FLEMING-MASON in after-hours storm restoration upon request.

The CONTRACTOR'S Supervision:

- 1. The CONTRACTOR'S supervision is responsible for supervising and training their crews to perform all work efficiently in accordance with this contract.
- 2. The CONTRACTOR'S supervisors shall:
 - Regularly check crews to assure that the work is being completed productively and in accordance with the Specifications Guide for Line Clearance and specifications contained herein;
 - b. Dispatch work to crews and inform FLEMING-MASON of their progress;
 - c. Check work orders given to the CONTRACTOR to cut right-of-way for completeness and accuracy and initial each work order before submitting them to FLEMING-MASON;
 - d. Update maps used to indicate work done and areas completed;
 - e. Instruct and train their crews in the proper implementation of FLEMING-MASON'S requirements as specified herein;

- f. Assure that all equipment, tools, materials and supplies are available and in good working condition for use by crews;
- g. Provide cellular telephones for all supervisors in order to facilitate rapid, effective communication between FLEMING-MASON and the CONTRACTOR'S supervisor;
- h. Promptly investigate and resolve damage claims made by property owners to the full satisfaction of FLEMING-MASON and with due regard for the public relations concerns of FLEMING-MASON:
- i. Be able to certify that the CONTRACTOR complies with all federal, state, and local regulations bearing upon the conduct of the work as specified, including but not limited to, FLEMING-MASON'S safety rules, OSHA regulations, ANSI Z133 and A300 standards, and Kentucky Department of Transportation guidelines. Should any specifications stated herein conflict with a government regulation, the CONTRACTOR shall notify FLEMING-MASON;
- Respond to FLEMING-MASON'S designated representative and promptly resolve any problem that arises;
- k. Inspect all work completed by the CONTRACTOR prior to reporting any work complete, to insure all line clearance activities fully meet the terms, conditions and requirement of this contract and attached specifications, and promptly make corrections in their work as instructed FLEMING-MASON.

If the CONTRACTOR performs any work contrary to such law, ordinance, regulations and rules, the CONTRACTOR shall bear all costs, claims, fines, awards or judgments arising there from and shall indemnify and hold harmless FLEMING-MASON from all such costs, liens, fines, awards or judgments.

The CONTRACTOR, with the approval of FLEMING-MASON, may use FLEMING-MASON facilities as reporting locations for its crews, parking and storing equipment, vehicles or the parking of employees' vehicles.

The CONTRACTOR shall be responsible for initiating, maintaining and supervising all safety programs in connection with the work and shall provide FLEMING-MASON a copy of their current written safety manual, describing their safety program, rules and requirements.

The CONTRACTOR shall furnish and use all protective equipment and devices necessary for the protection of all persons and property. This includes but is not limited to traffic cones, signs and flags, etc. All federal, state and local regulations shall be followed in this matter.

The CONTRACTOR shall provide workers that are fit for work. The CONTRACTOR is required to maintain a drug and alcohol prevention program, which supports their ability to meet this requirement.

This contract is not exclusive and FLEMING-MASON, at its sole discretion, may contract with others to perform such work as herein contemplated or may perform such work itself.

Scope of Work

- The CONTRACTOR shall provide manpower and equipment, as outlined in the FME Pricing 2023-2024 document, for line clearance services and other vegetation work and in accordance with Exhibits A and D attached to this contract.
- 2. The CONTRACTOR shall notify FLEMING-MASON daily of the locations where work is being done that day, including crew assignments and absentee information.
- 3. The CONTRACTOR shall fill out work progress reports as requested by FLEMING-MASON and time sheets for record keeping purposes.
- 4. When working, all necessary precautions shall be taken to protect power lines. In case of a power line flash, damage or interruption caused by tree maintenance, FLEMING-MASON shall be contacted immediately.
- Damaged electrical equipment observed while performing work shall be reported to FLEMING-MASON. Examples are broken crossarms, bad insulators, etc. Unsafe conditions observed by the CONTRACTOR shall also be reported such as low conductor clearance.

Hourly Pricing

The CONTRACTOR shall provide labor and equipment as requested by FLEMING-MASON for new construction and for incidental maintenance work that may be associated with work, as determined by FLEMING-MASON.

Labor Pricing

FLEMING-MASON shall pay for labor, overheads, insurances and taxes at the straight time per hour price or overtime per hour price shown below during the term of this contract and any extensions thereof. Rates listed in the *FME Pricing 2023-2024* are fully loaded and shall be the total compensation due the CONTRACTOR for labor.

The manpower job classifications and rates are listed for purposes of uniformity in pricing. The following position descriptions are provided for each position to establish the minimum experience and qualifications expected from a tree trimmer by FLEMING-MASON. The CONTRACTOR may attach additional position descriptions that meet or exceed these requirements.

Classification	Position Description
Trimmer A	An experienced trimmer that meets the requirements of a fully qualified line clearance tree trimmer under the OSHA 1910.269 AND ANSI Z133 standards, including the more difficult aspects of tree trimming and removal involving ropes, rigging, climbing and routine trimming operations,
Trimmer B	A line clearance trimmer trainee with one to two years experience, that is capable of learning the more difficult aspects of line clearance tree trimming, and continuing to develop into a fully qualified line clearance tree trimmer.
<u>Trimmer C</u>	A new line clearance trimmer trainee that is required to work through a training period of up to one year or longer, and is capable of becoming a fully qualified line clearance tree trimmer in accordance with the OSHA 1910.269 and ANSI Z133 standards.

Equipment Pricing

The CONTRACTOR shall furnish the following equipment in good, serviceable condition, reasonably free of excessive breakdowns as determined by FLEMING-MASON, at listed rates per hour. FLEMING-MASON reserves the right to solely and at its discretion require the CONTRACTOR to provide equipment that is no more than 5 years old and in good operating condition for T&M work when FLEMING-MASON feels that equipment breakdowns are adversely affecting crew production and performance. The listed rates shall not include operator(s) but shall include all costs for repairs, maintenance, operation, overheads and profit and shall be the sole compensation payable by FLEMING-MASON to the CONTRACTOR for use of said equipment. All tree-trimming trucks shall be properly equipped to handle any tree trimming or removal encountered. All equipment shall meet approval of FLEMING-MASON before being permitted to work on FLEMING-MASON property. In addition, the following conditions shall apply:

Crew and equipment hours shall not be invoiced for the time equipment is inoperative due to maintenance or equipment failure, as appropriate, (e.g., when the crew or part of the crew can complete productive line clearance while the equipment is being repaired, the productive individuals may continue to be billed).

Note: Trucks shall be equipped with hand and power tools to productively, safely and effectively perform the work. These tools include power saws for each worker and hydraulic tools (including hydraulic pole saws) on bucket trucks. Dump boxes on trucks will have capacities of at least 8-10 yards.

All equipment prices are firm for the duration of the agreement.

Material Pricing

Materials requested by FLEMING-MASON and supplied by CONTRACTOR shall be invoiced at cost.

AWARD

If at any time during the contract FLEMING-MASON determines that the CONTRACTOR'S performance is substandard FLEMING-MASON may cancel the remaining mileage and hourly work and award the remaining work to another contractor.

If FLEMING-MASON is satisfied with the CONTRACTOR'S work quality and performance under the terms of this Contract, a multi-year extension may be considered. The time and material (hourly), firm prices above may be the basis for establishing long-term, mutually agreeable pricing that could be used to extend this Contract beyond Dec. 31, 2024. The terms of such an extension would be negotiated prior to Dec. 31, 2024.

Insurance and Workers Compensation

1.	Workers Compensation	Statutory	
2.	Employers Liability	Bodily Injury by Accident Bodily Injury by Disease Bodily Injury by Disease	\$1,000,000 each accident \$1,000,000 policy limit \$1,000,000 each employee
3.	Commercial Liability including	General Aggregate Products-Completed, Operations Aggregate Personal and Advertising Each Occurrence Fire Damage Medical Expense	\$2,000,000 \$2,000,000 \$1,000,000 \$1,000,000 \$ 100,000 \$ 10,000
4.	Automobile Liability	Combined Single Limit	\$1,000,000 per accident
5.	Umbrella Liability	Each Occurrence and Aggregate	\$4,000,000

Upon execution of the contract, the CONTRACTOR shall provide certificate(s) to FLEMING-MASON indicating that the required insurance has been placed with insurers acceptable to FLEMING-MASON and that at least 30 days prior written notice will be given to FLEMING-MASON of cancellation or material change in coverage.

The CONTRACTOR shall maintain the required insurance in full force during the life of this contract and any extensions thereof.

The CONTRACTOR'S Commercial General Liability and Umbrella Liability insurance policies shall be written on an "occurrence" basis.

The CONTRACTOR'S Commercial General Liability shall:

- Name FLEMING-MASON as additional insured with copies of enabling endorsements accompanying the certificates.
- Provide for a separate aggregate limit of liability exclusively for this contract.

Assignment and Subcontracting

The CONTRACTOR shall not assign its obligations to perform the services or any part thereof and FLEMING-MASON shall not be obligated to accept a tender of performance by any assignee, unless FLEMING-MASON shall have previously expressly consented in writing to such assignment.

The CONTRACTOR shall not, without prior written consent of FLEMING-MASON, subcontract any of its obligations under the Contract. In the event, FLEMING-MASON consents to the subcontracting of any portion of the services, (1) such consent shall not relieve the CONTRACTOR of its obligations under the contract with respect to such services, and (2) the CONTRACTOR agrees to bring the provisions of the contract to the attention of and to bind every subcontractor by the provisions of the contract as far as applicable to that portion of the services to be performed by the subcontractor.

Hold Harmless

The CONTRACTOR will indemnify, hold harmless and defend FLEMING-MASON from and against any and all liability for loss, damage or expense which FLEMING-MASON, their personnel, or the general public may suffer, or for which FLEMING-MASON may be held liable by reason of any injury (including death) or damage to any property arising out of the CONTRACTOR's performance of work under this contract, except to the extent the liability arises from the negligence or willful misconduct of Fleming-Mason Energy.

Changes in the Contract

Any changes to this contract or the work described herein must be agreed upon in writing by both parties.

Termination with Cause

If either party breaches any provision of the Contract (including, without limitation, the failure by the CONTRACTOR to adhere to the performance standards set forth in the Contract), the other party may give notice of such breach to the defaulting party in writing. If the breach is not cured within thirty (30) days of delivery of such notice, the defaulting party shall be in default hereunder and the non-defaulting may elect to terminate the Contract, or to continue the Contract subject to receiving adequate assurances of performance from the defaulting party. FLEMING-MASON shall have the right to stop the work immediately with cause. In the event FLEMING-MASON terminates the Contract pursuant to this subsection, FLEMING-MASON shall not be required to make any payments to the CONTRACTOR with respect to Services that have not been performed as of the date of termination. If the sum of all previous deposits and payments under the Contract with respect to the Services so terminated exceeds the amount owed to the CONTRACTOR with respect to services that have been performed as of the date of termination, the excess shall be immediately refunded to FLEMING-MASON.

Termination without Cause

FLEMING-MASON may at any time on thirty (30) business days' notice to the CONTRACTOR terminate the Contract for FLEMING-MASON'S convenience. Any compensation payable to the CONTRACTOR through the effective date of early termination shall be prorated, and FLEMING-MASON shall not be required to make any payments to the CONTRACTOR with respect to Services that have not been performed as of the date of early termination. If the sum of all previous deposits and payments under the Contract with respect to the Services so terminated exceeds the amount owed to the CONTRACTOR, the excess shall be immediately refunded to FLEMING-MASON. The CONTRACTOR likewise shall have the right to terminate the contract upon ninety (90) days written notice being received by FLEMING-MASON.

Payment

The CONTRACTOR shall complete their work activities as systematically and uniformly as practicable, so as to facilitate preliminary field review and approval, and interim monthly invoicing for a mutually agreeable percentage of the completed work. All interim invoice

approvals are subject to final audit approval at the completion of the entire project, and final payment shall not be authorized until all outstanding issues and concerns have been corrected to the full satisfaction of FLEMING-MASON. FLEMING-MASON shall withhold the last payment due the CONTRACTOR on the project until all work is completed and all substandard work discovered either in intermediate inspections or final inspection is corrected to the satisfaction of FLEMING-MASON.

Invoices for approved work shall be paid thirty (30) days after receipt thereof. Invoices that are submitted for incomplete work may be held without penalty to FLEMING-MASON or returned to the CONTRACTOR for future re-submittal when all work is completed to specification.

Invoices for T&M work shall be submitted on a weekly basis, by crew, for all billable labor and equipment hours and at the rates quoted in the Pricing section. The invoice shall be submitted within two (2) weeks of the week ending date and shall be supported by copy of the crew's time sheet for that week and showing all labor, equipment, locations and work completed.

This document and all attachments hereto constitute the entire agreement between the parties, their successors and assigns, and no modification hereto shall be binding upon the parties unless in writing and signed by both parties. This contract is construed under the laws of the State of Kentucky.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this __5th day of, __Ianuary _____ 20 23

Commonwealth of Pennsylvania - Notary Seal Allison Elizabeth Morris, Notary Public Montgomery County My commission expires June 8, 2024 Commission number 1286477

Member, Pennsylvania Association of Notaries

Signed, sealed and delivered in the presence of:

Witness

Notary Public

ASPLUNDH TREE EXPERT, LLC

CONTRACTOR NAME

Randal L. Haines

Vice President/Sponsor

FLEMING-MASON ENERGY COOPERATIVE

(SEAL)

President/CEO

Signed, sealed and delivered in the presence of:

-11 season Sacre

Notary Public

State At Large, Kentucky Notary Public Lauren C. Fritz My Commission Expires 5/28/2023



	Proposed # of Employees for	2023			2024				20	25	2026		
	Contract	Straight Time		Overtime		Straight Time		Overtime		Straight Time	Overtime	Straight Time	Overtime
General Foreman	1	\$		\$		\$		\$					
Working Foreman	3	\$		\$		\$		\$					
Machine Operator	2	\$		\$		\$		\$					
Trimmer A	3	\$		\$		\$		\$		Option to Exte	nd if Agreeable	Option to Exter	nd if Agreeable
Trimmer B	1	\$		\$		\$		\$		to Both Parties		to Both Parties	
Trimmer C	1	\$		\$		\$		\$		1			
Groundman	3	\$		\$		\$		\$		1			
Flagger		\$		\$		\$		\$					

The above manpower job classifications and rates are listed for purposes of uniformity in pricing. The following position descriptions are provided for each TRIMMER position to establish the minimum experience and qualifications expected from a tree trimmer by FLEMING-MASON. The CONTRACTOR may attach additional position descriptions that meet or exceed these requirements.

Classification	<u>Position Description</u>
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Currently FME contracts 3-4 crews, approximately 12 workers.



	Proposed Equipment	2023 Straight Time		2024	2025	2026 Straight Time	
	for Contract			Straight Time	Straight Time		
55' 2wd Bucket Truck w/dump box, w/saws	2	\$		\$			
55' 4wd Trim lift w/dump box, w/saws		\$		\$			
55' 2wd Flat Bed Bucket Truck, w/saws		\$		\$	7		
70' Bucket Truck 2wd, w/dump box		\$		\$	7		
70' 2wd Flat Bed Bucket Truck, w/saws		\$		\$			
70' 4wd Bucket Truck, w/ saws		\$		\$			
12" capacity Disc Chipper	3	\$		\$	П		
18" capacity Disc Chipper w/ winch		\$		\$	[7]		
Split Dump, min 8-10 cu yd dump, w/saws	1	\$		\$			
Split Dump, min 8-10 cu yd dump w/o saws		\$		\$			
Jarraff or equivalent	1	\$		\$			
Tractor w/ brush hog mower		\$		\$	Option to	Option to	
Pickup 2x4		\$		\$	Extend if	Extend if	
Pickup 4x4		\$		\$	- Agreeable to	Agreeable to	
Pickup 4x4, w/ saws for R/W crew	1	\$		\$	Both Parties	Both Parties	
4x4 truck with Spray Rig		\$		\$	Both Parties	BOUT Parties	
Supervisor Truck	1	\$		\$	7		
Geo Boy Mower	1	\$		\$			
Skidsteer Mower w/out trailer		\$		\$			
Green Climber Mower w/ trailer		\$	-				
Mini Jarraff/without trailer		\$		\$			
Trailer for SWdsteer or Mini Jarraff		\$		\$			
Truck and Trailer for skidsteer or Mini Jarraff		\$		\$			
58' Back yard Bucket w/ trailer		\$		\$			
42k' Back Yard Bucket w/ trailer		\$		\$			
UTVw/trailer		\$		\$			
Grapple Truck		\$		\$			

Unleaded Fuel Cost Used for Pricing	
Diesel Fuel Cost Used for Pricing	

Exhibit A ~ Fleming Mason Energy (FME) Right-of Way Contract SPECIFICATIONS GUIDE FOR LINE CLEARANCE

Clearance Standards

- 1. The CONTRACTOR shall remove all brush and trees over three (3) feet tall from right-of-ways, whether the R/W is adjacent to highways or in off-road areas.
- 2. The CONTRACTOR shall ground cut and side trim all re-growth so as to re-establish the full width of the right-of-way out to the easement limits and/or old clearing line, whichever is greater. It shall also include the removal of all trees up to 6.0 inches in diameter at breast height (dbh) in rural or non-residential areas, and small trees less than 4.0 inches dbh in developed, residential or yard areas that would not be considered planted or landscape trees (e.g. natural seedlings or "volunteers" that have grown in the R/W since last maintenance).
- 3. Those trees and brush that are found within the right-of-way that are equal to or less than these diameters requirements may be removed without written permission under the terms of FLEMING-MASON easements.
- 4. The CONTRACTOR should always clear the right-of-way of all trees or brush over three (3) feet high. The right-of-way is defined as 20 feet on either side of the pole or center line of the right-of-way easement.
- 5. Mechanical side trimming (e.g., Jarraff work or similar methods) is only permitted in rural, non-residential locations. All other trimming shall be done following strict ANSI A300 guidelines, including proper collar cuts and direction pruning using trim lifts, skidder buckets, or manual crews. All slash and debris shall be then cleaned up and disposed of by either follow-up mowing and/or chipping as may be appropriate for each site.
- 6. The CONTRACTOR shall only prune trees directly involved with the FME'S overhead lines, as defined by this specification. Pruning trees for privately owned lines is not permitted.
- 7. The CONTRACTOR shall not prune trees solely for street lighting.
- 8. All low growing desirable species, if present, may be left unless:
 - a. they create clearance problems,
 - b. mechanical, non-selective equipment (e.g. mowing) is used, or
 - c. they block access to the rights-of-way or prevent facilities maintenance.
- 9. Ingested wilting foliage of wild cherry is poisonous to livestock. The CONTRACTOR shall remove all wild cherry foliage from fields where livestock graze.
- 10. The CONTRACTOR shall cut, as near to ground level as possible, all vines growing on poles, guy wires, and other FME facilities.
- 11. Dead trees that endanger lines shall be topped or removed within the right-of-way.

Debris Disposal

The CONTRACTOR shall pre-notify all property owners to explain the tree trimming and line clearance requirements and to establish mutually agreeable methods of tree, limb and brush disposal. It is acceptable to FME for line clearance debris to remain on site, provided the disposal method is communicated to and understood by the property owner, including work completed under Time and Material.

Notwithstanding this requirement, the CONTRACTOR shall insure:

- 1. All debris disposals from trimming, tree removal or brush clearing shall be according to Federal, State and Local regulations.
- 2. All hangers shall be pulled to remove them from trees, including all work completed by trim lift, manual and mechanical trimming (Jarraff or equivalent/similar) crews.
- 3. All tree, limb and brush disposal that remains along the R/W with property owner approval shall be neatly piled along the edge of the R/W so as to ensure the R/W is readily accessible for emergency patrols.
- 4. When limbs, wood and debris must be removed from the site, it shall be removed the same day it was cut unless the Landowner approves otherwise. When the site cannot be cleaned up the same day due to equipment breakdown or other unforeseen problems, the CONTRACTOR tell the Landowner when cleanup will be complete.
- 5. No limbs, wood or debris shall be left on or immediately adjacent to a public right-of-way, fences, or in or near running water or in or near natural drainage ditches.

Notification

- 2. Unless otherwise directed, the CONTRACTOR shall pre-notify property owners for tree pruning, tree removal and brush maintenance and disposal when performing line clearance activities on circuits listed in the FME Pricing 2023-2026 document. This pre-notification shall clearly communicate the prescribed trimming and brush disposal techniques that will be implemented. When the cut brush and debris must be cleaned up, all trimming debris shall be removed before the end of work in residential areas, and within one week in undeveloped areas. When cut brush and trimming debris will remain after trimming, the CONTRACTOR shall clearly communicate to the property owner the condition in which the slash will be left. When site cleanup becomes delayed due to equipment problems, the CONTRACTOR shall clearly communicate the condition to the property owner, together with an expected time for final cleanup and resolution.
- 3. When notifying landowners of impending line clearance and tree pruning activities, the CONTRACTOR shall promote sound arboricultural standards, including "natural pruning" techniques as defined by this specification and the ANSI Z133 and A300 standards.
- 4. The CONTRACTOR shall be responsible for pre-notification for tree removals for yard trees and off R/W trees on rural circuits, when requested by FME.

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Public Relations

- 1. All work shall be done, and all complaints resolved by the CONTRACTOR to the satisfaction of FME with due regard for the public relations concerns of FME.
- 2. The CONTRACTOR agrees that complaints of any nature that are received from a property owner, FME, or agents or public authorities shall receive immediate attention and all efforts shall be made for a prompt resolution. All complaints, and any action taken by the CONTRACTOR in connection with such complaints, shall promptly be reported to FME.
- 3. When the Contractor fails to respond to valid customer concerns and complaints in a timely manner, FME may resolve the complaint to the full satisfaction of FME. All costs associated with the resolution of such complaints, shall be deducted from the next CONTRACTOR'S invoice.
- 4. The CONTRACTOR'S employees shall conduct themselves in a manner that promotes customer service. Customer service is of utmost importance to FME. Any CONTRACTOR'S employee who cannot meet this requirement shall be removed from FME's system. Unresolved customer service issues shall be an event of default and shall be grounds for termination of this contract.

Scheduling

- 1. FME and the CONTRACTOR shall mutually establish a starting date and work schedule for all work. The schedule for Circuit Work shall consist of establishing quarterly milestones and dates to assure on-time completion of the project. Unless FME and the CONTRACTOR mutually agree otherwise in writing, approximately one quarter of the job shall be completed by each milestone date. Completed work shall be no more than 10% behind the scheduled mileposts unless approved by FME. Contractor shall try to stay on the quarterly schedule to the extent of their fullest capabilities. All work shall be fully complete to specification by the year-end completion date. The quarterly milestone ending dates shall be March 31, June 30, September 30 and December 31 respectively.
- 2. The CONTRACTOR shall complete trimming and clearing progressively, from a starting point or points designated by FME with no skips unless approved by FME. The CONTRACTOR shall promptly notify FME of any work site or property owner where the CONTRACTOR is unable to achieve full specification clearance for any reason, before tree pruning or removal activities are begun at that location, in an effort to provide FME an opportunity to resolve known customer concerns before trimming and clearing.

Appearance

The appearance of the CONTRACTOR'S equipment and employees shall be neat. FME shall be the sole judge in this matter. The CONTRACTOR'S employees shall wear shirts or jackets with names or logos stating the name of the CONTRACTOR. FME reserves the right to require the contractor to make changes to meet the requirements of FME.

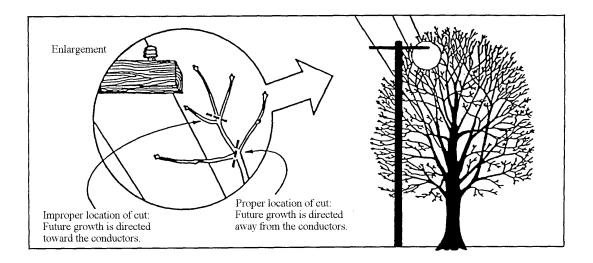
Permits

The CONTRACTOR agrees to secure all permits and licenses necessary for the work to be performed hereunder and to pay all charges and fees required for such permits and licenses.

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Circuit Operation

The CONTRACTOR agrees to secure from FME information as to the nature of the circuits involved before work is commenced. It is understood by and between the parties that the electric circuits of FME are to continue in normal operation during this work. The CONTRACTOR shall take all necessary precautions to guard against interfering with the normal operation of said circuits. In the event the CONTRACTOR'S employees cause an outage to occur, they shall immediately cease trimming activities to secure the worked area and ensure worker and public safety and shall immediately notify FME.



Natural Pruning (to direct growth away from wires)

Natural pruning is a method by which branches are cut at a suitable parent limb back toward the center of the tree. The cut should be made as close as possible to the branch collar at the branch base, however the branch collar should not be injured or removed. Every branch has a branch bark ridge that separates the branch from the main stem. The cut should be made on the outer side of the ridge. If the cut is made on the inner side of the branch bark ridge, a "larger" wound will result that may inhibit the trees ability to naturally compartmentalize the wound, increasing wound closure time and the risk of entry for microorganisms. This method of pruning is sometimes called "drop-crotch pruning", "directional pruning" or "lateral pruning." Large branches should be removed to laterals at least one-third the diameter of the branch being removed. Natural pruning is especially adapted to the topping of large trees where a great deal of wood must be removed.

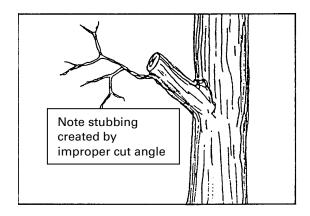
In natural pruning, almost all cuts are made with a saw, and very little pole pruning work is required. This results in a natural looking tree when finished, even if a large amount of wood has been removed. However, a hydraulic or manual pole pruner is required to prune those smaller laterals that cannot be properly pruned using the pole saw and each crew shall be equipped with the necessary hydraulic pruners for lift crews and manual pruners for climbing crews.

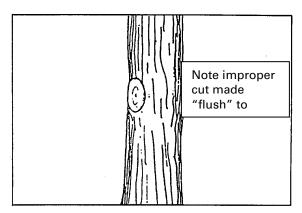
Natural pruning is also directional pruning, since it tends to guide the growth of the tree away from the wires. Stubbing or pole-clip clearance, on the other hand, tends to promote rapid sucker growth right back into the conductors. It is important to remember that natural pruning does work, and that two or three pruning cycles done in this manner will bring about an ideal situation for both the utility and the tree owner. Most shade trees lend themselves easily to this type of pruning.

Natural pruning techniques should be used for top pruning, side pruning, under pruning, and combinations as described on the following pages.

Natural Pruning Details

Improper Trimming Techniques



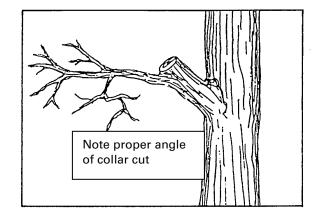


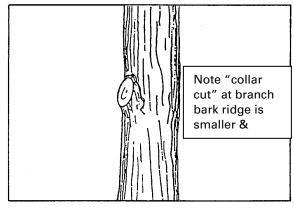
Details of improper trimming and proper natural pruning techniques are shown here. The branch at left above was cut back to a lateral that is too small. Branches should be cut back to a lateral that is at least one-third the size of the branch being removed as shown at left below. If a proper lateral is not available, the branch should be cut back to the trunk. Note that the remaining limb should be trimmed in a manner that meets the minimum clearance requirements while "training" it to grow away from the conductors. When limbs growing toward the conductors cannot be pruned to meet these requirements, they should be removed back to the trunk of the tree.

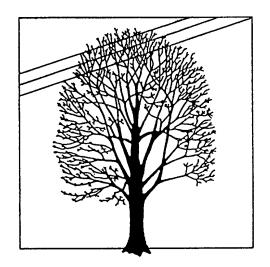
The cut shown at right above is an improper flush cut where the branch collar was removed. The cut at right below shows the proper method to remove the branch at the trunk, leaving the branch collar but not a stub.

The CONTRACTOR shall remove all past stubbing, correctly pruning these limbs back to a lateral one third the size of the parent limb, or removing them back to the trunk of the tree, to promote proper callus formation. Removal back to the trunk will be the preferred method when it would create a "cleaner" appearance and minimize future re-growth and pruning.

Proper Pruning Techniques

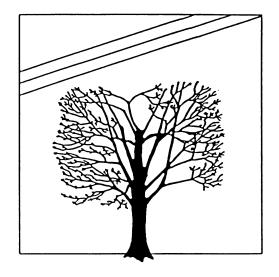






Before Top Pruning



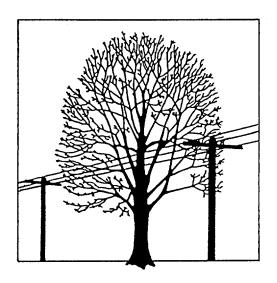


1. TOP PRUNING

Top pruning involves cutting back large portions of the upper crown of the tree. Top pruning is often required where a tree is located directly beneath a line. The main leader or leaders are cut back to a suitable lateral. (The lateral should be at least one-third the diameter of the limb being removed.) While most cuts should be made with a saw; a hydraulic or manual pole pruner is still required to properly prune the small lateral limbs that cannot be properly pruned using a pole saw.

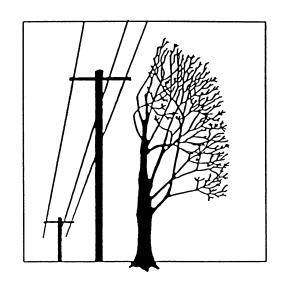
For the sake of appearance and to limit the amount of regrowth, it is best not to remove more than one-fourth of the crown when top pruning. In certain species, removal of too much of the crown may result in death of the tree.

Top pruning is generally required to address the situation where a tall growing tree has been planted or grown underneath the lines. Top pruning should NOT be used on those trees that are located partially under the line, where part of the tree could be trained to grow away from and/or beside the line, unless specifically required by the property owner and approved by FME. Side pruning is discussed below.



Before Side Pruning





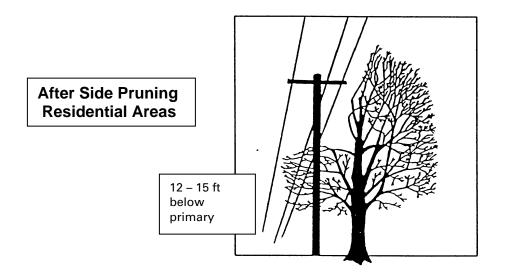
2. SIDE PRUNING IN NON-RESIDENTIAL R/W AREAS

In non-residential or rural right-of-way situations side pruning consists of cutting back or removing the side branches that are threatening the conductors from ground to sky. Side pruning is required where trees are growing adjacent to utility lines. Limbs should be removed at a lateral branch or the main trunk wherever possible to minimize future re-growth. All branches beneath the conductors should be removed to prevent them from growing up into the lines. Avoid unsightly notches in the tree, if possible.

3. SIDE PRUNING IN RESIDENTIAL AREAS

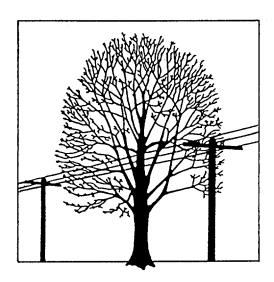
In residential situations, where the tree to be pruned is part of a lawn or landscape setting it is often necessary to leave a "shelf" of branches below the phone cable level, or at least 12 - 15 feet below the primary level. While this is NOT a preferred pruning method, it is commonly required in residential areas in order to maintain as much of the natural appearance, screening and shade value of the tree as possible. Trees that would require excessive pruning or create serious visual impacts for the property owner should be candidates for removal.

When shelf pruning is performed the remaining branches shall be pruned so as to train them to grow in a horizontal direction, or down and away from the conductors. Branches growing up, toward the overhead conductors should be removed or pruned to laterals growing away from the wires.

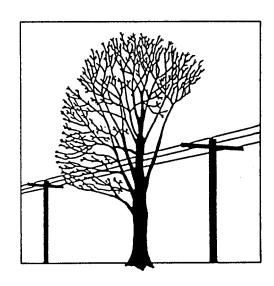


4. UNDER PRUNING

Under pruning involves removing the lower limbs of the tree to allow wires to pass below the tree crown. All cuts should be made as close as possible to the branch bark ridge at the branch collar, to avoid leaving unsightly stubs. The natural shape of the tree is retained in this type of pruning, and the tree can continue its normal growth. Where overhangs will be allowed to remain, the CONTRACTOR shall visually inspect the remaining overhang to identify dead, decayed, cracked, split or weak conditions that may exist at the time of pruning and could damage the facilities if they broke out the tree and fell on the lines. Hazardous conditions shall be promptly reported to FME, and summarized in a weekly report.



Before Under Pruning



After Under Pruning

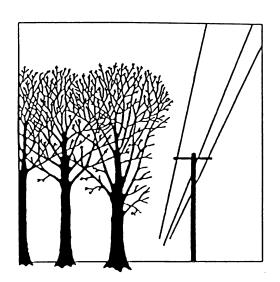
5. COMBINATIONS

It may be necessary to combine several pruning types in order to achieve a good-looking job and to obtain adequate clearances.

Improper Trimming Methods

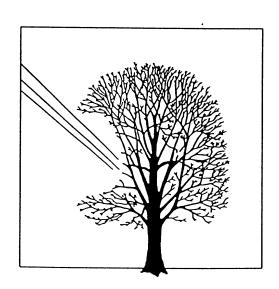
6. SIDE TRIM STUBBING

This is done by stubbing off portions of limbs along the side of the tree to obtain clearance. Cutting off portions of limbs (leaving stubs) to obtain clearance creates many fast-growing suckers that become a serious line clearance problem. Corrective pruning will be required to eliminate and repair past stubbing practices when they are encountered.



7. "SHAPING" AROUND LINES

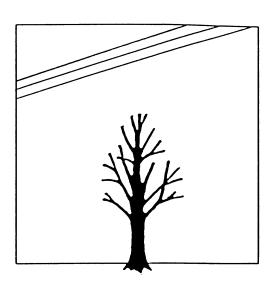
"Shaping" is done by trimming limbs in an arc to obtain clearance. This unsightly method of trimming leaves branches above the conductors that could bend or break, causing outages. Shaping also creates many fast-growing suckers.

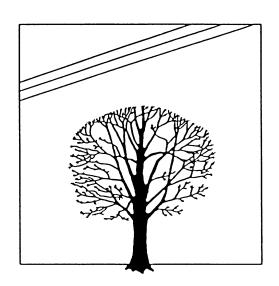


8. POLLARDING

This is done by stubbing off major limbs to greatly reduce the size of the tree crown. The result is not only unsightly, but promotes a multitude of fast-growing suckers that sprout from the stubs. The combination of stubbing and re-sprouting leads to weak limb attachments, disease and decay, which then lead to a serious reliability and line clearance problem.

Pollarding is unacceptable.





9. ROUNDING OVER

Rounding over (or shearing) is done by making many small cuts so that the treetop is sheared in a uniform line. This creates an unhealthy tree condition and results in rapid regrowth of suckers directly toward the electric conductors.

When a round over is done using a pole saw, the trimmer usually leaves numerous stubs, rather than following drop crotch and directional pruning principles. This stubbing commonly leads to decay, disease and rapid re-growth. This condition is unacceptable, except when mandated by customer requirements, and even then should be a last resort.

When a round over must be done, it shall be completed using the proper hydraulic or manual pruning tools, following the proper collar cut procedures. Stubbing is unacceptable. FME shall be notified before a round over is performed.

KY52: FLEMING MASON ENERGY COOPERATIVE, INC. (FME), RIGHT-OF-WAY CONTRACTS FOR JANUARY 1 2023 THROUGH DECEMBER 31, 2024

Exhibit D: FME <u>ADDITIONAL RIGHT-OF-WAY</u> <u>CONTRACT SPECIFICATIONS</u>

- 1. The information within this document pertains to hourly right-of-way maintenance, including but not limited to:
 - a. Brush Mowing,
 - b. Tree Pruning,
 - c. Side Trimming,
 - d. Tree Removal, and
 - e. Stump Treatment.
- 2. The actual contracts which will be executed with the successful bidder/s will be determined by FME based upon the work awarded. All contracts used will also have attachments/exhibits from the bid process documents.
- 3. All specifications and requirements herein are applicable to all work listed above unless otherwise noted.
- 4. Crews are required to effectively stump treat all cuts made with chain saws but not required to treat those made by bushhogging. These crews must furnish the herbicides used as part of their bid prices. FME shall not pay extra for the herbicides used.
- 5. The contractor must complete the circuit and/or section being worked on before moving on to another circuit and/or section, unless permission is granted by FME to proceed otherwise. The contractor shall only proceed to new circuits and/or sections after permission is granted by FME.
- 6. The <u>contractor is not required</u> to do any trimming or maintenance on secondary or service wires.
- Except for ash trees, any dead, dying, and/or danger trees outside of the ROW corridor are to be removed by the contractor. All trees in this category must be brought to the attention of and approved by FME before the tree or trees are trimmed / removed.

- 8. No price adjustments will be made in this contract unless allowed by FME. The decision for any adjustments will be at the sole discretion of FME.
- 9. The Contractor will provide a General Foreman or a Lead Contact Person that will be the single point of contact for FME's ROW Coordinator until the project is completed. There will be no charge to FME for this service. Normal hourly crews will not require a general foreman on most occasions since daily crew placement will be handled by the FME ROW Coordinator. If the ROW Coordinator requests additional help from a General Foreman, he/she will charge billable hours at the hourly rate agreed to in the final contract to the same account as the normal crews, subject to the ROW Coordinator signing off on the time sheets. The overtime rate agreed to in the contract and conditions for when overtime is paid (emergency/storm work, etc.) for the General Foreman shall be as described in the final contract for other contract workers. Any billable hourly work for a General Foreman must be pre-approved and requested by FME.
- 10. FME has a strong interest in the safety of employees and the general public. This same interest is expected to be maintained by anyone that works as a contractor for this utility. With this in mind FME will require that ALL contractors follow rules that meet or exceed all of those set forth by OSHA, the most current NESC (National Electric Safety Code), all rules in the most current APPA (American Public Power Association) Safety Manual, FME's Safety Policies, and all other applicable state and federal laws. This includes all safety related issues including but not limited to structural and dielectric testing of appropriate equipment, testing of rubber goods, and clothing requirements to meet arc-flash regulations.
- 11. FME reserves the right to stop the contractor's work immediately if FME becomes aware that the contractor is in violation of any of the above mentioned safety requirements, and FME reserves the right to terminate the contract due to safety concerns at its sole discretion. FME further reserves the right to inspect contractor work sites at its discretion.
- 12. The contractor is required to furnish FME with all documentation in a timely manner (when and if requested by FME) concerning safety requirements.
- 13. The contractor agrees to provide FME a performance bond in the amount of 10% of the awarded contract value to protect FME from failure of the contractor to perform as required by the contract. The bond shall clearly protect FME from extra costs incurred should the contractor fail to perform the terms and conditions and/or work required by the contract. The performance bond shall meet the approval of FME, and FME reserves the

right to make final judgment on the acceptability of the bond proposed by the contractor. The contractor must provide an acceptable performance bond within two weeks of the signing of the contract.

- 14. Exhibit A defines the requirements of the contractor for meeting quarterly milestones.
- 15. ROW Coordinator will inspect within 30 days of circuit completion and provide contractor with map or list of all go-backs. Contractor has 30 days to complete all go-backs and return completed map/list to Coordinator. Any go-back identified as not complete after re-inspection shall be completed on the Contractor's time. In addition, the contractor will be fined \$50/occurrence.
- 16. Methods of trimming trees will be determined by FME. Exhibit A provides general guidelines, but FME reserves the right to instruct contractors in methodologies used and change methodologies used based on its discretion for various situations being encountered.
- 17. Suppliers are to include on Bid Form documents the fuel cost used to estimate pricing for both gas and diesel for each pay item. FME intends to modify equipment billing rates when/if average fuel prices in Kentucky fluctuate +/- 25% using AAA Fuel Prices (Kentucky) for both regular and/or diesel fuel. Pricing will be reviewed on a quarterly basis. See https://gasprices.aaa.com/ for more information about Kentucky fuel pricing.
- 18. There are several de-energized lines on the FME system that contractors will encounter. FME will not require contractors to perform right-of-way maintenance on all of these. However, FME will require maintenance to be performed on some of these lines, and FME will instruct the contractor on whether or not to perform maintenance at the time these lines are encountered by the contractor.
- 19. There are a few taps on the FME system that feed AEP rectifier sites. The contractor will not be required to perform maintenance on these taps.
- 20. Contractor agrees to use Contractor's best efforts to perform the required tasks on FME right-of-ways located within the area served by FME. Contractor must furnish all necessary equipment, qualified personnel, labor, and qualified supervision sufficient to properly and timely perform the required right-of-way tasks in those portions of the Area designated from time to time by FME. Contractor is responsible for performing all maintenance and repairs on such equipment necessary to keep it in safe operating condition. Contractor shall provide any documentation requested

- by FME including but not limited to employee training records and Contractor safety rules.
- 21. Contractor hereby acknowledges that it is an independent contractor for FME and meets all necessary legal requirements to perform the tasks for which the Contractor places bids for at FME. Contractor shall be free to determine and control its time, energy and skill to perform the work in accordance with the Agreement during Contractor's regular business hours, except that work shall not occur before 7:00 a.m., or after 6:00 p.m., or on Saturdays, Sundays, or legal holidays unless approved in advance by FME.
- 22. Contractor acknowledges that FME, in reliance upon the Agreement, is not withholding any taxes from sums paid to Contractor as compensation for services rendered under the Agreement. Additionally, Contractor acknowledges that FME is not carrying workers compensation coverage or unemployment insurance coverage on Contractor or Contractor's employees due to the independent Contractor nature of the relationship. In the event Contractor should be adjudged not to be an independent Contractor, Contractor will indemnify FME for any additional expenses resulting from such ruling.
- 23. Contractor agrees to perform all work to the complete satisfaction of FME, in a workmanlike manner and of quality consistent with industry standard practices, and in accordance with all federal, state, municipal, county, and other local laws, ordinances, and regulations applicable to said work.
- 24. Contractor must investigate and use its good faith efforts to attempt to settle all valid complaints for damages caused by its work from equipment, employees, or otherwise. These complaints will be given immediate attention, and all efforts shall be made to effect a prompt settlement of valid complaints by the Contractor.
- 25. Contractor is to use diligence to not damage FME's electric facilities or other facilities in discharging their duties. If there are damages caused by the contractor, to consumer or FME facilities, the contractor may be invoiced for the damages or cost to restore the outage.
- 26. Contractor agrees to see that all personnel are courteous, polite, and present a favorable image to the public. All representations made to the public will be truthful and honest to the best of Contractor's ability.
- 27. Contractor acknowledges that he/she does not represent FME and has no authority to obligate FME for any payment or benefit of any kind to any person.

- 28. The Contractor's insurance policy must state that Contractor has contractual liability coverage and that FME has been added as an additional insured. Contractor and any subcontractor shall carry workers' compensation insurance as required by law. FME shall receive a minimum thirty (30) day notice in the event of cancellation of insurance required by the agreement. Contractor shall furnish a certificate of insurance to FME showing that the above obligations and requirements are provided for by a qualified insurance carrier, and showing FME as an additional insured on such insurance annually prior to January 1 of the insured calendar year. It shall be the contractor's responsibility to provide FME with a new proof prior to the expiration of the current proof.
- 29. The Agreement is for a period of time as defined within the contract executed by the parties. The Agreement shall be binding upon the parties hereto and their heirs, executors, administrators, and assigns.
- 30. Contractor shall identify its equipment and employees as a contractor for FME. Contractor will comply with any identification requirements which may be imposed by Public Service Commission regulations or other law, and also any reasonable requirements which may be imposed by FME. Contractor's vehicles shall be identified with a company logo that is legible. Magnetic signs furnished by FME (one set per vehicle) stating "Contractor for Fleming Mason Energy" or equivalent shall be displayed at all times when at a work site.
- 31. The Agreement shall be governed by the laws of the State of Kentucky. Any lawsuits related to the Agreement shall be brought in the Fleming County, Kentucky state courts.
- 32. No amendment or variation of the terms or conditions of the Agreement shall be valid unless in writing and signed by the parties. The Contract executed by the parties and attachments thereto constitutes the entire Agreement between the parties regarding the subject matter hereof, and all other prior written or oral communications of any nature whatsoever are hereby merged into and superseded by the Agreement. The parties acknowledge that there are no other oral or written understandings, arrangements and/or agreements between the parties relating to the subject matter of the Agreement.
- 33. A waiver of any of the terms and conditions of the Agreement shall not be construed as a general waiver by any party, and such party shall be free to reinstate any such term or condition, with or without notice to the other parties.

- 34. Any headings used as part of the Agreement are for the convenience of the parties and are not to be construed as part of the Agreement.
- 35. In the event that any portion of the Agreement may be held to be invalid or unenforceable for any reason, it is agreed that said invalidity or unenforceability shall not affect the other portions of the Agreement, and that the remaining covenants, terms and conditions or portions thereof shall remain in full force and effect and any court of competent jurisdiction may so modify the objectionable provision as to make it valid, reasonable and enforceable.
- 36. If conflicting information or requirements is found in any of the contracting documents, the most stringent requirements for the contractor shall prevail unless FME deems otherwise.
- 37. The rights of the parties under the Agreement are personal and not assignable.
- 38. Contractor agrees to pay FME's reasonable expenses, including attorneys' fees and costs, incurred by FME in enforcing the terms, conditions, and provisions of the Agreement.
- 39. FME will furnish a ROW Coordinator to oversee all aspects of line clearing while contract crews are working on FME's system. Any and all questions that may arise should be brought before this designated person for resolution.
- 40. FME will furnish systems maps to the contractor's ROW foreman or supervisor for the purpose of locating and recording all work done on FME's system. After work has been completed in a particular area the maps shall be returned to FME's ROW Coordinator.
- 41. Contractor shall perform 100% of the work directly without using subcontractors unless approval is granted by the FME's ROW Coordinator.
- 42. The contractor must provide a written report to the FME Field Supervisor for any OSHA reportable injury or violation, and any "near-miss" incident or accident must be promptly reported to the FME Field Supervisor within one hour of occurrence.
- 43. Contract crews may be inspected by FME's ROW coordinator or other FME personnel on a routine basis.

- 44. FME staff has the right to conduct site-visits of project areas on a routine basis.
- 45. FME's ROW Coordinator will strive to provide answers to contractor questions and/or requests in a timely manner (usually within two or three business days). Any questions regarding acceptable methods of performing work shall be directed to FME, and FME will have the final determination on what is deemed acceptable.
- 46. Each crew shall have a cell phone furnished by the contractor or some other means of communication that FME can use to contact them at all times. In the case of cell phones, the phone numbers shall be given to FME's ROW Coordinator and said phone numbers kept current.
- 47. At least one contractor employee capable of speaking fluent English shall be on each job site at all times when the contractor is working.
- 48. Each crew must inform the ROW Coordinator or the FME dispatcher of their location on the system each morning before beginning work and before departing at the end of each day.
- 49. When convenient, the contractor may be given permission to park vehicles and equipment on FME property. Contractors may not park at substation property owned by East Kentucky Power (EKP) without written permission from EKP.
- 50. FME provided locks are installed on many "locked-gates"; contractor must not cut locks or chains unless permission is granted by the FME ROW Coordinator.
- 51. Contractor will not perform or solicit any type of private tree trimming work on the customer's property while actively engaged in performing work for FME under contract until all work on the circuit is completed.
- 52. Disposal of wood residue such as brush, wood, large sections of tree trunks, large limbs, wood chips and other such products produced or generated by working on FME's system shall not obstruct roads, paths, or waterways. Disposal of said residue shall be the sole responsibility of the contractor and at approved locations. All disposal costs shall be included in the cost submitted on the FME bid. When approved by property owners, logs and brush may be left or the chipped wood may be blown onto the property where the wood residue originated (preferred).
- 53. No trash (i.e. lunch sacks, cans, containers, etc.) or other non-wood residue

- shall be deposited and disposed of with chips collected from tree trimming operations. Crews are also required to leave their work area as clean as when they arrived with all trash disposed of properly.
- 54. Power outages caused by workers dropping limbs or trees on to energized lines are unacceptable and precautions shall be taken to make sure this does not happen. In the unlikely event that it does happen, FME has the right to bill the contractor for the cost of repairs and service restoration and any personal injury or property damage.
- 55. Contractors shall make available its crews for emergency work as determined by FME, day or night, weekends, holidays, or during any natural or man-made disasters. The contractor shall furnish FME the name and telephone number of the person to contact for emergency crews.
- 56. FME retains the right to reject any and all Proposals or Bids submitted by any contractor.
- 57. Logs or debris shall not be placed below the high water mark of streams, springs, creeks and rivers or other bodies of water. Pastures and cultivated fields need to be cleaned up unless requested by a responsible party.
- 58. Poles and guy wires shall be clean of all brush, trees, and vines debris ten feet (10') around them.
- 59. To insure livestock safety, any wild cherry tree cuttings during the foliage season, should be removed from livestock areas.
- 60. No stump treatment will be used on federal or state-owned lands unless found to be acceptable. The contractor is required to seek a decision from FME in these instances.
- 61. All limbs overhanging the primary line right of way corridors shall be removed by the contractor unless FME gives permission in specific instances to reduce this requirement. The contractor must take this into consideration when bidding on FME right of way work and adjust bid prices accordingly. The contractor may occasionally suggest reducing this requirement in specific instances, but FME shall have the final decision on whether or not it will be allowed.
- 62. FME's right-of-way easements allow for the maintenance of right-of-ways areas included within the easements; however, the contractor shall be required to use good judgment and take reasonable care when entering

upon such areas. In all cases, respect for the property owner and other stakeholders shall be considered paramount by the contractor. In sensitive areas such as yards, subdivisions, highly maintained areas, posted lands, and similar circumstances, the contractor shall make a good faith effort (when reasonably possible) to inform property owners and/or other stakeholders of the contractor's presence and the general scope of the contractor's work before proceeding. Any situations in which a property owner or other stakeholder takes issue with the contractor's right to enter the property or complete the work shall be reported to FME immediately in order to help facilitate a resolution. All gates, fences and consumer property are to be left in the same condition as found.

63. Severability/Partial Invalidity: The invalidation of any provision, or any portion of a provision, of this Agreement by any entity with proper jurisdiction and authority does not invalidate the remaining provisions, or the remaining portion of a provision, of this Agreement.