

# US Applicators, LLC

Working for a Better  
Tomorrow  
Through Quality Service  
Today

PROPOSAL FOR

HERBICIDE  
APPLICATION  
2022-2024

October 11, 2021

**Non-disclosure**

COPY NUMBER \_\_\_\_\_

US Applicants, LLC proposal plan is confidential, containing information proprietary to US Applicants LLC. None of the information contained in this proposal may be reproduced or disclosed to any person under any circumstance **except Kenergy** without express written permission of US Applicants LLC. I have accepted and will protect the confidentiality of this proposal.

\_\_\_\_\_  
Recipient's signature

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October 11, 2021

Kenergy  
Steve Thompson  
VP of Finance and Accounting  
sthompson@kenergy.com

Dear Doug,

Thank you for the opportunity to submit a bid for Kenergy herbicide program. We at US Applicators, LLC have tried to do our best to submit all the necessary information for the bid. We are prepared to answer any questions that may arise because of this. As you will see, we submitted a bid on the Herbicide application only. We have read your proposal and have no exceptions. We can meet your insurance requirements and upon being awarded the bid we will have a certificate issued to Kenergy per your request with your requirements.

As you will see in this proposal, we have created a network of equipment, people, and safety that makes us more than qualified to do this project. Also, we are a team player in that our goal is to work with your managers in developing a plan that saves Kenergy and its customers' money while being a safe and efficient project. We would encourage for you to visit our website ([www.usapplicators.com](http://www.usapplicators.com)) which list some of our customers and shows markets and commitment to safety. We work very closely with the basic manufacturers since we recognize the importance of their backing products and application. We will use branded products if awarded the business and will be returnable/Refillable containers.


US Applicators, LLC has been in business since 2008 and have developed a strong working relationship with all our customers. We are a Mississippi based company and we have worked hard in developing a team of employees that have the same interests as the company, which are safety, quality and maintaining our equipment. We offer superior customer satisfaction with competitive pricing. We pride ourselves in that every project that we have taken on has been completed. We also have an office in Marion, KY (Jason Stokes), Eastern Division Manager.

US Applicators will have 235 men under our H2B Visa for 2022 and would be prepared to dedicate a large portion of those if not completed in the time frame that Kenergy demands. As you will see in our proposal, we have access to another 200 men through our strategic partners if needed.

US Applicators has worked hard with our customers to try to identify ways to save our customers money. This is done by how we source our herbicides, types of people, and training of our personnel. Normally we would map the lines, but due to the quick turnaround we did not have the time. However, we did ride the area to be treated. If we are fortunate enough to win the business, we would work with your managers to help map the areas to treat and would also help get your lines on a cycle to improve control.

Jason Stokes, Eastern Division Manager, is authorized to conduct negotiations on behalf of US Applicators, LLC.

Should you have any questions, please do not hesitate to give me a call and once again thank you for the opportunity.

Sincerely,  
  
Jason Stokes  
Manager, Eastern Division  
US Applicators, LLC  
218-700-0000  
www.usapplicators.com

Company Information

US Applicators, LLC

Address: P O Box 563, Louisville, MS 39339

Physical Address: 14167 Hwy 397, Louisville, MS 39339

Duns Number: 070065708

NAICS: 115310

## Organization and Structure:

US Applicators LLC is a company with a corporate office and truck shop maintenance facilities in Louisville, Mississippi. We have an Eastern Division Manager which has an office in Madison, KY. US Applicators, LLC has worked hard to develop key personnel partnerships and joint ventures that have successfully contributed to our growth in the forestry, right-of-way and aquatic markets. US Applicators, LLC with the management, sales team, and business partners we have compiled, believe that we will exceed the requirements of Kenergy.

The management structure for US Applicators, LLC is listed in the following categories:

**President:** Fred Stokes has extensive experience in the forestry, aquatic, and right-of-way markets in sales, herbicides, and application. He has a Bachelor of Science degree in Forestry from Mississippi State University and has worked in manufacturing (American Cyanamid Company - now BASF) sales and distribution (Chamberland and Red River Specialties), and sales and application (Phynox Helicopters) before beginning Custom Air, LLC. He has attended numerous sales and management classes while employed with these companies and completes continuing education classes on a yearly basis. He is responsible for establishing, coordinating, and implementing the company's marketing plans. He is also responsible for hiring, training, coordinating and supporting all personnel.

**Executive Assistant:** Christy Russell has worked in this field for over 10 years. She has worked in numerous positions throughout her career and has, through association, learned much about the aerial and ground application business. Her experience with computers and various software packages is extensive. She is responsible for ensuring that MR, AP, and payroll is performed ethically and in a timely manner. She administers employee health insurance along with completion of DOL and other federal/state paperwork.

**Accounts Payable/Accounts Receivable:** Tabby Dempsey has worked with US Applicators for over 3 years. Her responsibility is to assist Christy Russell with various accounting duties for ensuring that MR, AP, and payroll are performed ethically and in a timely manner. She administers employee health insurance and day to day office responsibilities.

**GIS/GPS Manager:** Position is vacant. Jason Stokes handles this. His responsibility is to work with our clients in gathering data for their GIS systems. He also handles the shape files for our managers. He can print up-to-date maps on a plotter to be used by our crews. He has worked with our clients to implement GIS systems for their companies. All the technicians are proficient in handling files and mapping files.

**Field Technicians - North Carolina, South Carolina, and Virginia Area Manager:** Steve Payne is responsible for creating sales, right-way lead, and managing the application for the end-users. He is a trained professional with forestry, aquatic, and ROW herbicides. He promotes, educates, and trains end-users in the use of the herbicides. Steve has worked in distribution and Aerial application business. He has been with the company since 2004.

**Office Managers - West Virginia, Kentucky and Pennsylvania Area Manager:** Devon Russell is responsible for creating sales, right-way lead, and managing the application for the end-users. He is a trained professional with forestry, aquatic, and ROW herbicides. He promotes, educates, and trains end-users in the use of the herbicides. Devon has worked in distribution and Aerial application business. He has been with the company since 2018. He has an office in Va.

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North Mississippi, North Alabama, Tennessee Area Manager. James Flood is responsible for creating sales, following leads, and managing the application for the end-users. He is a trained professional with forestry, aquatic, and ROW herbicides. He promotes, educates and trains end-users in the use of the herbicides.

North Louisiana, Arkansas, Oklahoma, and Texas Area Manager. Kevin Sipe is responsible for creating sales, following leads, and managing the application for the end-users. He is a trained professional with forestry, aquatic, and ROW herbicides. He promotes, educates and trains end-users in the use of the herbicides. Kevin has extensive experience with maintain ROW both herbicide and tree trimming.

Right-of-Way Manager. James Land is responsible for creating sales, following leads and managing the application for the end-users. He is a trained professional with extensive experience in applying and managing transmission and distribution lines over 30 years with East Mississippi Electric Power Association. He promotes, educates and trains end users in the use of the herbicides and application. All field personnel report to James and are only involved in the ground application markets. James is also an owner in U.S. Applicators.

### Company Qualifications

U.S. Applicators, LLC through its personnel and the joint venture have completed several projects like the Kenergy proposal. We have and are presently working for Entergy (MS, AK, LA) and Big Rivers, Kentucky as a contractor on Transmission, TKPC, Kentucky (Transmission Lines) and Distribution Lines, these are long term contracts. We have in place the standards, equipment, managers, and personnel to qualify us for the project. U.S. Applicators, LLC is a member of the Safety Council web-based training and has also met all standards for Entergy and Big Rivers which includes passing through their rigorous safety programs as well as being a member of ISNET world.

Management's main goal is to provide its customers with premier service support and to maintain a superb safety record. The company emphasizes courtesy of employees when dealing with customers. Any complaints will be immediately addressed by the appropriate salesperson to review and to satisfy the customer in accordance in question.

U.S. Applicators, LLC has been steadily building a ground herbicide program in various areas of the country with James Land overseeing field operations since 2008. Since 2008 we have successfully completed thousands of miles across ROW contracts. We have continued to add resources each season. We are conducting most of our herbicide operations throughout many of the Southern States. U.S. Applicators, LLC and its employees hold chemical application licenses in KY, TN, MS, LA, TX, AL, NC, GA, ES, VA, OK, OH, WV, OH, AR, and AK. We thoroughly believe that the company's most important asset is the people whom we employ. To protect this asset we invest in a leading training and safety program. We can obtain a license in any state that is very expensive to have a license in multiple States. Before we start any project, we ensure that we meet all Federal and State guidelines.

## Safety and Training.

As stated throughout this proposal, US Applicators LLC has developed a strong training and safety program. We have developed an in-house safety manual that we always require to be with our crews in their vehicles. We maintain these safety manuals and continue to develop them. We are members of Isnetwork, and Power Safe.

We are a member of the Power Safe which allows our employees to train through web-based training.

Our safety manual is considered confidential information, and, we have attached a copy for your review.

We have dedicated many hours creating a safety plan that we feel is an industry leader and would ask

Kenney to keep the manual confidential.

US Applicators LLC feels that we will exceed your expectation concerning safety. Some of the safety issues presented is listed below.

General Safety- driving safety, first aid, conducting weekly tailgate meetings, wearing proper PPE's, identifying hazards and hazardous conditions on work sites, basic safety procedures for each of the types of work the crews may encounter during the season, migrant and seasonal workers protection act requirements, safety after work, procedures to follow in case of an accident or emergency, communication, looking out for your fellow workers.

Vehicles- proper inspection of vehicles, filing out the inspection reports, procedures if a problem is found, seatbelts, proper loading and unloading of vehicles, maintenance, keeping vehicles clean, knowing the limits of the vehicles, towing, fuel cards, keeping insurance cards and registration in visor for easy access, use of lower gears for steep grades.

Homes- overview of company policy regarding usage.

Tools- proper use and care of tools, storage, distribution to crewmembers, choosing the right tool for the job.

Footings- choosing a place near as possible to project site, respecting your neighbors, cleanliness, parking.

Productivity- importance of crew production, what is expected, how to achieve expectations from crewmembers, proper use of tools, safety, communication, methods to solve meeting problems, good keeping track of productivity, how to work smarter not harder, achieving a good production.

Quality Control- importance of quality, compare expectations understanding the project requirements, conducting and recording inspections, resolving quality issues with crewmembers.

Paperwork- what paperwork is needed, how to properly fill-out paperwork, keeping track of work time and properly recording it, how and when to turn in paperwork.

US Applicators LLC will exceed your expectation concerning safety.

## Warranty Statement

US Applicators LLC warrants that the work performed under this contract shall be free from defects in materials and workmanship for a period of 90 days after the date of completion of the work.



## PRICING QUOTE

### Application Rates Labor Hourly Rates Equipment Hourly Rates

After reviewing your lines various methods may be needed to gain control. However, we will utilize low volume backpack Hack and squirt methods to treat the areas. We will work with your foresters to ensure that we utilize the most cost-effective way to apply the herbicides. We believe a large portion can be done using this method.

We have also entered pricing, per your request in the bid

	(2022)	(2023)	(2024)
<b>LOW VOLUME/HACK AND SQUIRT PER ACRE:</b>	\$248.00	\$256.68	\$265.66

Price increases by 3.5 percent. Since the government sets our wages per hour for H2B this would protect us since the government is subject to change the wages. This is based on the year to year consumer price index.

Suggested rate - 51.2 ounces MF-1100 240 SE + 1 percent Arsenal AC + 4 oz Escort + 2 Fihance (Surfactant per 100 gallons of water. This product will be in a reusable container.

	(2022)	(2023)	(2024)
<b>HIGH VOLUME:</b>	\$411.13 per acre	\$411.13	\$411.13

Suggested Rate - Propts Rodeo + 32 oz Arsenal + 2 oz Escort + 2 oz Mile tone + 1 percent Fihance (Surfactant)

**BASAL:** \$390.00 per acre

Suggested Rate - 20 percent Garlon 4 + 1 percent Arsenal AC + Basal Oil. We are finding more and more customers are requesting this treatment. It is primarily done in the wintertime. Once we treat the brush it does not re-foliate in the spring and since the brush never turns brown, seems to be more pleasing to your customers. We would also make the application before crops are in the field.

	(2022)	(2023)	(2024)
<b>SUBSTATIONS/BAREGROUND PER ACRE:</b>	\$285.00	\$285.00	\$285.00

	(2022)	(2023)	(2024)
<b>HELICOPTER SIDE TRIMMING:</b>	\$427.00 per acre	\$441.95	\$455.20

Suggested Rate - 3 Gallons Garlon 3-A + 20 ounces Arsenal + 2 Ounces Velocity + 1% (Surfactant)

All the above rates include all labor and herbicide

The above rates are suggestions based on us looking at the brush on your lines. Given that Kenegy has had a herbicide program, it is most likely that you have developed rates that historically has been used by other applicators. We would work with your foresters/manufacturers to utilize the best rates.

US Applicators can handle your entire program and believes through our experience we can work with your team to develop a long-term plan on controlling your vegetation on your lines. We are a dedicated spray company.

US Applicators is prepared to negotiate with Kenegy on the above prices and rates.

### **LABOR HOURLY RATES**

<b><u>Description</u></b>	<b><u>Straight Time</u></b>	<b><u>Overtime</u></b>
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**These prices would remain constant 2022, 2023, 2024.**

<b>Work Planner/Manager</b>	<b>\$62.50</b>	<b>\$93.75</b>
<b>Foreman</b>	<b>\$51.25</b>	<b>\$76.87</b>
<b>Spray-man</b>	<b>\$35.00</b>	<b>\$52.50</b>

1. The above rates may be used for Change Orders and Standby Time.
2. Except as may be expressly provided otherwise elsewhere in this Contract, the rates set forth above are inclusive of all direct wage rates, fringe benefits, labor allowances, payroll taxes, insurance, small tools which cost Contractor less than \$500 per tool, temporary construction facilities, consumables, expendables, overhead, profit and all other costs and expenses incurred by Contractor in performing the Work and this Contract.
3. The rates will only apply to actual hours worked or standby time, as agreed and attested to by a Company Representative.
4. Overtime rates will be paid for hours worked in excess of 8 hours per day when worker is on 5-8-hour day schedule for hours worked in excess of 10 hours per day when worker is on 4-10-hour day schedule. Overtime will be paid for hours in excess of forty (40) hours per week. All overtime must be pre-authorized by Company.

5. Premium time will be paid for all hours worked on and the following holidays.

New Year's Day	Labor Day
Memorial Day	Thanksgiving
Good Friday	Christmas Eve
Independence Day	Christmas Day

### EQUIPMENT RATES

Equipment Description Standby	Hourly	Weekly	Monthly
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\* Equipment Rates will increase each year based on consumer price index

ATV	\$5.61
Pickup 4X4	\$13.57
Backpack	\$0.86
High Volume Truck	\$19.75

\*\* Herbicides for hourly work is cost plus 15 percent.

1. **Notification:** It is my understanding that Kenergy is requiring notification and permission for your customers before we make application. US Applicators would recommend that a letter be mailed to your customers to let them know what your plans are and when application is made. In the letter we would request that you list our phone number so that we can meet with the ones that elect not allow application so that we can work with them to help show them that Kenergy is doing what is best to maintain the lines for access, safety and to keep their power on.

If Kenergy makes the decision not have a mailer, the cost will be done on an hourly cost-plus vehicle. It is my understanding that we are trying to notify that if we do not see anyone, we are not to make a second attempt. We would have to be compensated for our first attempt since it is an expense for us.

EX. Notifier	\$42.50 per hour
Vehicle	\$13.57 per hour

We would encourage Kenergy to use the mailer, I do believe that it will be the best use of Kenergy's money and US Applicators could try to flip the customer and allow us to make the application.

3. The above rates are inclusive of all maintenance, repairs, fueling, lubrication, spare parts, insurance and taxes associated with the operation of the equipment and overhead and profit.
4. The rates are exclusive of all equipment drivers and operators who are set forth in Schedule A Labor Hourly Rates.
5. Contractor shall be compensated for equipment rented and used in connection with this project at receipt cost, plus contractor's mark-up of 5 percent (%)

**Safety Information:**

1. Provide a copy of the most recent OSHA Form 300 A for your company.
  - a. Attached
2. Provide a copy of your company's safety program.
  - a. Attached
3. Provide a summary of recordable and lost time incidents from time of your last submitted OSHA Form 300 A to present.
  - a. Attached
4. How your on-site supervisors are held accountable for safety performance and how this performance is monitored, accessed and communicated to them
  - a. See attached Safety Manual
5. How your safety programs apply to subcontractors, and how you assure successful implantation of and compliance with these programs
  - a. All our work is managed by our field managers, and this is also covered in our safety manual. We treat their men as our own.
6. A list of employees that maintain a Commercial Pesticide Applicator Supervisory License for Kentucky.
  - a. Attached, as far as the H2-B workers they hold a certification card.
7. A list of the employees that maintain a Commercial Pesticide Applicator License for the State of Kentucky.
  - a. Attached
8. The product label and material safety data sheets for all pesticides you propose to use during this project.
  - a. Attached
9. A copy of your pesticide safety and training manuals.
  - a. See Safety manual
10. A description of where and how you intend to store and distribute pesticides during this project.
  - a. All herbicides are stored in an enclosed trailer under lock/key and in the possession of the field manager.
11. Your pesticide spill clean-up policies and procedures.
  - a. See safety manual

12. A list of Personal Protective Equipment and clothing worn by your work force.
  - a. Our managers and workers adhere to the WPS standards found on our pesticide labels.
13. A description of how you dispose of empty containers
  - a. We will use refillable and returnable containers (15 gallon) per container
14. A list of the employees that maintain an ISA Certified Arborist license
  - a. Not required for pesticide application





*Applicators*

## Project Resource Plan

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**Project Name:** Utility-2021 Hoosier Transmission  
**Region:** To Be Awarded  
**Acres:** TBD  
**Date:** 02-15-2021

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### Prepared By

Document Owner(s)	Project/Organization Role
Fred Stokes	Owner
James Laird	Owner
Jason Stokes	Chief Operation Manager

### Project Closure Report Version Control

Version	Date	Author	Change Description

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**Confidential**  
Project Resource Plan

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# 1 RESOURCE PLAN PURPOSE

## A Synoptic View of Resource Planning

This project resource plan provides a synopsis of all resources for the 2021 Hoosier Vegetation Project. It identifies the personnel that possess the appropriate skill set to perform the tasks identified in the contract, and a record of all the non-labor resources (tools, equipment, documentation, etc.) necessary for the completion of the project. This is not intended to be an exhaustive record of our resources and planning criteria. It is intended to give you an efficient, concise view of the initial resources we have allocated towards the project during this pre-award time period. H2B Visa program workers sometime change.

# 2 RESOURCE PLANNING DEFINITION

## 2.1 Project Personnel Resources-Synopsis

### Table 2.2 Synopsis

- We will allocate 30 resource personnel as a beginning number. We will supply additional resources as-needed. All personnel titled as project managers and foremen are fluent in English. We have more than 350 men at our disposal for the entire project should we need them.

## 2.2 Table of Project Personnel Resources

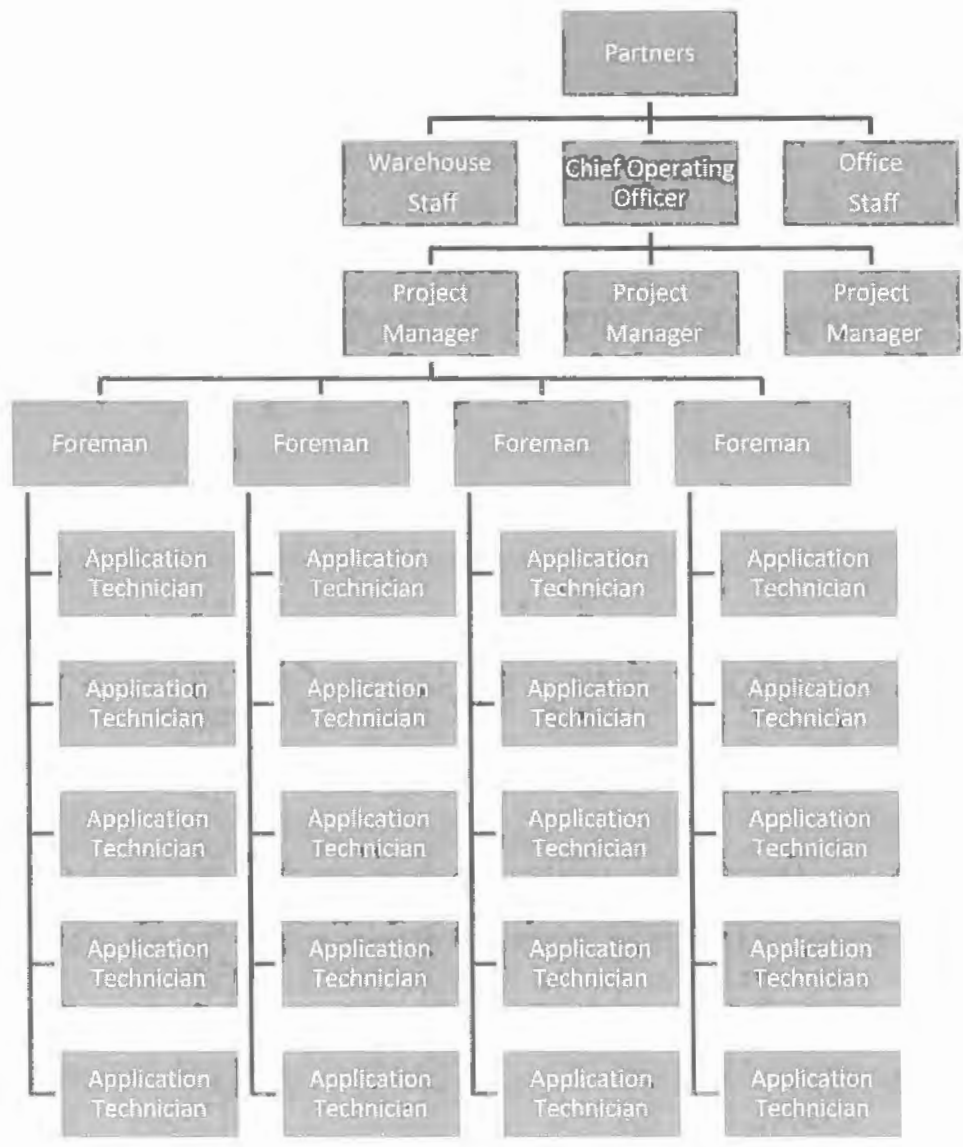
All Individuals Posses the Required Skill Set to Exceed Industry Standard

Resource Type	Source	Estimated Cost	Quantity
Owner	In House	Internal	2
Accounts Payable	In house	Internal	2
C.O.M	In House	Internal	1
Project Managers (field)	In House	Internal	4
Foreman	In House	Internal	4
Application technicians	In House	internal	20
<b>Total Resources</b>	<b>In House</b>	<b>Internal</b>	<b>33</b>

## 2.3 Cursory List of Non-Labor Resources

### Non-labor Resources

- ✓ Trucks with Nurse Tanks: 25
- ✓ Commercial fan boat with nurse tank for application on islands and inundated areas. (All associated safety and legal parameters are on board the vessel and in compliance.)
- ✓ 5 UTV all-terrain vehicles with associated safety and legal equipment on board and in compliance. All UTV's are outfitted with appropriate nurse tanks for remote delivery of herbicides to the applicators.
- ✓ Stihl SG 20 Low Volume Backpack Sprayers: 200
- ✓ Machetes/Brush Axes: 200
- ✓ Enclosed Trailers: 10
- ✓ Radios: 27
- ✓ Vest (safety & identification): 200
- ✓ Hard Hats & Safety Glasses: 200
- ✓ Computers for line location and application reports: 15
- ✓ GPS Devices: 20
- ✓ First Aid Kits: One per Truck
- ✓ Spill Kits: 30
- ✓ Safety Devices (road cones, safety lights, fire extinguishers, etc.): All vehicles
- ✓ Herbicide Labels, MSDS and labels: All nurse tanks and backpacks will have labels attached, and all trucks will carry MSDS and label hardcopies with unlimited printouts available on-site as needed.
- ✓ Safety manuals, SOP booklets, applicator training manuals and associated content: All vehicles and managers/foremen





## 2.5 Resource Assumptions

- **Start time full leaf May 1 through August 15, 2019. Earlier if allowed to do Basal work.**
- **The project will be evaluated constantly to make the decision to add crews to ensure the project is completed on time.**
- **Work weeks will usually consist of 5 full days with Saturday and Sunday being off-days. This will change to 6 days unforeseen circumstances dictate the need to do so.**
- **Total Man-Day production will be between 320-400 acres/day under average spray season conditions, and that assumes brush in the right of way has been maintained as expected in the past.**
- **Non-human resource numbers and items are given as a minimum. In terms of applicable equipment & regulatory requirements from Hoosier, herbicide laws, local, state and federal governments, etc., and pertaining to all in-house documentation for protocol measures, all applicable items will be maintained and replacements on-site or at base operations to ensure compliance and safety of the team members, Hoosier and its team members and the customers and public who Hoosier serves.**

## 3 PROJECT CLOSURE REPORT APPROVALS

**Prepared By** Fred Stokes

**Approved By** Fred Stokes  
(Owner)

James Laird  
(Owner)

**Approval Date** February 15,2021

