# <u> AirSystems</u>

"Service-First Compressed Air Support"

# Service Program

**Coverages Included:** 

PlannedCARE PM
SelectCARE Extended Coverage

**Invoicing Type:** 

Level Loaded, Fixed

# Middough / East Kentucky

**Prepared For:** 

Heff Caldwell 1301 West 2nd Street Maysville, KY 41056 Prepared By:

Ron Huff (502) 817-0497 rhuff@air1s.com



Middough / East Kentucky Pov						
Customer Address	1301 West 2nd Street					
Customer City, State, Zip	Maysville, KY 41056					
<b>Customer Contact</b>	Heff Caldwell					
Air Systems Contact	Ron Huff (502) 817-0497					
Agreement Term	5 Years					
Proposal Number	R4123PM					





# **Level Loaded Service Program**

Level Loaded Servic								ice Program
Туре	MFG	Model	SN	Agreement Scope	TAS/VSD Included			Annual Base
Rotary CC	IR	RS160I-A125	TBD	SCN-MC	No / No			\$9,932.06
Polysep	IR	AS-180	TBD	PM	No / No			\$2,969.00
						+	+	
Additional A	greement Not	es						
							'	All Pricing in USE \$12,901.06
Middough / East Kentucky Power Representative			Air Systems Representative				Base Invoice Annual Total Base Invoice Frequency	
						Base Ir	voice Amount	\$6,450.53
Signature			Signature				-	
Drintad Name	e and Title		Printed Name and Titl	2				
Printeo wame				2				

## The Agreement:

Effective Date

Air Systems ("Company"), located at 4512 Bishop Lane, Louisville, KY 40218 and Middough / East Kentucky Power, at 1301 West 2nd Street, Maysville, KY 41056 ("Customer") agree to this service agreement (the "Agreement") as follows:

Effective Date

a. Agreement Term

This Agreement commences upon approval by Company and execution of this contract by Customer on the "Effective Date" noted in the signature block, and will continue through a period as shown on page 1 of the contract (the "Term").

The Agreement Price will adjust upward a minimum of 3% year-over- year, pending review based upon the Consumer Price Index, Commodity and Services Group, Other Services (based upon index in effect as of the Effective Date anniversary). The increase will match the CPI when there is movement of greater than three percent (3%) upwards. The labor rates for work, outside of this Agreement may also be adjusted annually.

For Fixed Price Level Loaded agreements, If Customer's use of the Equipment exceeds the Annual Hours set forth above and continues to do so for a period of six (6) months, the prices herein are subject to increase by Company.

For Agreements where the total Agreement Price is paid at the beginning of the Term, should CPI movement exceed 3% upward per calendar year (the "CPA Increase"), the value of the actual CPI Increase will be invoiced annually on the anniversary of the Effective Date.

c. Agreement Scope and Coverage Details: Designation for asset scope and coverages are shown in the "Agr Scope" column on page 1 of this agreement are below:

PM: PM program is for specific scope as listed. If applicable, Terms and Conditions related to these assets is found in section 2 of this agreement.

SCN-MC: PM with extended warranty for parts and labor on new Ingersoll Rand compressor and/or dryer major components. Terms and Conditions related to these assets are found in section 3.

#### c. Agreement Scope Schedule:

Type Rotary CC	Model	SN	Inspection	Minor Service	Major Service	<b>Coolant Change</b>	Additional Scope
Rotary CC	RS160I-A125	TBD	Semi-Annual	Annual	2 Yrs	2 Yrs	
Polysep	AS-180	TBD	Semi-Annual	2 Yrs			

## d. Agreement Invoicing Details: Invoicing details for each asset as shown in the pricing column for each asset are explained below:

Level Loaded pricing is the annual total divided by the invoice frequency as shown on the first page of the agreement. All invoices are level loaded to be the same amount, and are issued on a predetermined invoice schedule that may be different than the specific service schedules.

#### e. Agreement Scope of Work Definitions

#### Inspection

Includes a thorough multi point inspection with laboratory testing for each asset type on the required interval. Includes checking and lubricating motor grease fittings as required using manufacturer recommended grease, general wipe down/cleanup of asset, Thermal Imaging for starters, SPM vibration analysis on motors and airends. Debrief summary includes required adjustments and detailed recommendations for both safety and operational improvements.

Replacement of integral filters including Primary Air Filters, and Oil Filters for Rotary CC assets, and Primary Air Filters for Rotary OF, Scroll, and Centrif assets. Does not include replacement of additional non-factory supplied intake filtration or external line filters on dryers unless specifically noted in the additional scope section of the agreement for each

#### **Major Scope**

Replacement of major integral filters including Secondary Air Filters, Oil Filters, and Separator filters as applicable for each specific asset. For TAS integrated dryer units where included, includes replacement of integral line filtration. For Oil Free Scroll units, this includes replacement of the Belt and Tip Seals on each Module.

## **Coolant Change**

Replacement of sump lubricant/coolant.

#### f. Agreement Site and Asset Conditions

Pricing and scope in this agreement are based on selections noted in the tables of this agreement. Changes or misrepresentations of these conditions/factors could result in price adjustment.

Туре	MFG	Model	SN	Availability	Environment Accessibility	Coolant Type	Part Type	Asset Start Date	Current Hours	Hrs/Year
Rotary CC	IR	RS160I-A125	TBD	Anytime	Good / Average	See SC Scope	See SC Scope	1/31/2025	1	4000
Polysep	IR	AS-180	TBD	Anytime	Good / Average		OEM	1/31/2025		4000

#### g. Remote Monitoring Terms and Conditions

For all equipment covered under this agreement, remote monitoring may be installed by the Company to enhance response time and enable remote diagnostics and control. Customer agrees to allow the Company to install connectivity device(s) on the covered equipment and transmit equipment operational data ONLY over a cellular broadband network. Customer further agrees to allow the mounting of cellular antenna either on the equipment or on the exterior of the facility, as required to achieve communication signal strength. The connectivity device(s) shall at all times remain personal property of Company regardless of the degree of its annexation to any real property and shall not by reason of any annexation become a part thereof. In the event of damage to or loss, destruction or theft of the Equipment or any part thereof, Customer shall pay to Company the full value of the Equipment at the time of such occurrence. Customer has the option to provide or purchase additional non-standard hardware for equipment that does not have an existing Modbus output.

#### h GENERAL

The Terms and Conditions outlined herein shall apply to the services by the Company of maintenance or repair work or the sale of parts thereunder. No additional or contrary terms shall be binding upon the Company unless agreed to in writing.

#### i. ASSIGNMENT.

Neither party shall assign or transfer this contract without the prior written consent of the other party.

#### j. TAXES.

The prices do not include any present or future Federal, State or Municipal sales, use, gross receipts, property, or other similar type tax with respect to any material, erection equipment or services covered hereby. If the Company is required by applicable law or regulation to pay or collect any such type tax or taxes on account of this transaction or the material or equipment or services covered hereby, then such amount of tax shall be paid by the Purchaser in addition to the prices herein provided for.

#### 2. PlannedCARE PM Terms and Conditions

- a. Covered Assets: These terms apply to all assets that are designated as PM on the first page of this agreement.
- b. PlannedCARE General Terms and Conditions: Company agrees to inspect the equipment listed in accordance with the specified scope as outlined in the above scope table for each asset. Company will provide the customer with access to itemized inspection data with critical readings and actions identified/performed during the inspection. Unless otherwise indicated, freight, labor, consumable parts, and are included in the pricing as quoted on the first page. Applicable sales tax is not included and is the responsibility of the customer. This agreement is in accordance to Company Standard Terms & Conditions for Technical Services and Repairs, a copy of which can be downloaded at www.air1s.com.

c. PlannedCARE Early Termination: Either party may terminate the agreement on the assets designated as PlannedCARE prior to the term with 30 days written notice and only obligations will be the list price of services and parts provided to the customer up to the date of termination, including equipment roll in shown on the first page of this agreement, minus the payments already paid up to the date of termination, not including credits toward services. The term of this Agreement will extend automatically for successive 1-year terms with applicable and reasonable price increases unless the customer or Company provides the other party with written notice it does not want it renewed.

a. Covered Assets: These terms apply to all assets that are designated as "SC" on the first page of this agreement (SC-AE, SC-MC, SCN-MC).

#### b. SelectCARE General Terms and Conditions

Company agrees to inspect the equipment listed in accordance with the specified scope as outlined in the above scope table for each asset. Company will provide the customer with access to itemized inspection data with critical readings and actions identified/performed during the inspection. Unless otherwise indicated, freight, labor, consumable parts, and are included in the pricing as quoted on the first page. Applicable sales tax is not included and is the responsibility of the customer. This agreement is in accordance to Company Standard Terms & Conditions for Technical Services and Repairs, a copy of which can be downloaded at www.air1s.com.

#### Consumables, Seals, external VFD drives, and non-listed components are specifically excluded. All other standard warranty terms and conditions apply.

All scheduled maintenance and diagnostics must be performed by the company certified technician and changed based on the service intervals spelled out in this agreement. By signing up for SelectCARE customer agrees to have the Authorized distributor perform all maintenance and diagnostics for the term of the agreement as specified in the TERM section below.

c. Customer Site Requirements: In order to receive SelectCARE coverage hereunder the Customer must provide and adhere to the Site Conditions listed below. The warranty will be void in the event Customer has a change in site or equipment conditions outside of those stated in the operator's manual for the proper operation of the equipment.

SITE AIR QUALITY: Site Air Quality is categorized by both the particulate and chemical conditions in the ambient air surrounding the compressor system, as well as the air where the compressor intake will be located. Company reserves the right to verify these parameters using silver and copper air quality coupon testing, analysis of the compressor condensate and other particulate measurement methods. Iif the air quality is altered during the Agreement terms, Company may reassess pricing parameters accordingly.

SITE WATER QUALITY: In cases where water is used for cooling, the water source into the specific piece of equipment dictates the risk rating for water quality. Therefore, if the water source is altered during the Agreement terms, Company may reassess pricing parameters accordingly.

#### d. SelectCare Airend Only (SC-AE) Coverages:

This agreement sets forth terms and requirements for SelectCARE extended Airend warranty coverage for new equipment as listed as "SC-AE" on page 1 of the agreement for the term of the agreement. Coverage requires continuous service agreement with "Company" for the length of the term. Customer Responsible for additional parts and consumables not specifically listed.

Rotary Compressor Airend Coverage Details: Parts and Labor coverage for Airend only. Consumables and oil not included Centrifugal Compressor Airend Component Coverages: Parts and Labor coverage for Impeller, Diffuser, Pinion, and Bearings. Consumables and oil not included.

#### e. SelectCARE Major Components (SC-MC) Coverages:

This agreement sets forth terms and requirements for SelectCARE extended Airend warranty coverage for new equipment as listed as "SC-MC" on page 1 of the agreement for the term of the agreement. Coverage requires continuous service agreement with "Company" for the length of the term. Customer Responsible for additional parts and consumables not specifically listed.

Refrigerated Dryer Major Components Coverage: Parts and Labor coverage for Controller, Refrigeration compressor, air cooled Condenser and Evaporator. Refrigerant not included.

Desiccant Dryer Major Components Coverage Details: Parts and Labor coverage for Switching Valves, Heater, Blower, and Controller. Dessicant and filters not included

Rotary Compressor Major Component Coverage Details: Parts and Labor coverage for Airend, Motor, Fan Motor, Controller, and Air Cooled Coolers (corrosion and errosion not included). Consumables and oil not included.

Centrifugal Major Component Coverage Details: Parts and Labor coverage for Controller, Motor, Impeller, Diffuser, Pinion, Bearings, Coolers (Corrosion and errosion not included). Consumables and oil not included.

#### f. SelectCARE Major Component New Equipment (SCN-MC) Coverages

This agreement sets forth terms and requirements for SelectCARE extended major components warranty coverage for new equipment as listed as "SCN-MC" on page 1 of the agreement for up to 5 years from date of start -up not to exceed 5 years and 6 months from date of factory shipment. Customer Responsible for additional parts and consumables not specifically listed.

New Rotary Screw Compressor: Major components include airend, motor, seals, gears, coolers (Air-Cooled only, excluding corrosion or erosion due to environment), integrated tanks (Separator & Receiver), dryers (Integrated Only), controller, and integrated Variable Speed Drives. Additional 5 year parts only airend extended warranty applies to Contact Cooled Compressors 50hp and above with agreement renewal. Consumables and oil not included.

New Centrifugal Compressors: Major components inlcude Controller, Impeller, Diffuser, Pinion, and Bearings. Additional 5 year parts only major components extended warranty applies with agreement renewal. Consumables and oil not included.

New Refrigerated Dryers: Major components include Refrigeration compressor, Condenser, Evaporator, Glycol Pump, Hot Gas Bypass Valve, and Controller. Refrigerant not included.

New Desiccant Dryers: Major components include switching valves, Heater, Blower, and Controller. Dessicant and Filters not included.

#### g. SelectCARE Coverage Early Termination:

Early termination prior to the term listed on the agreement will result in a penalty of current list price of work completed minus premiums paid will apply if cancelled prior to term completion. Limit 1 replacement for each covered component during term of agreement. Coverage does not include consumables, lubricant, or related componets. Termination penalty will be calculated and provided at time of written request of cancellation is recieved. If premiums paid exceed list price of work completed, no penalty or credits will apply.