



AGREEMENT

BETWEEN

**NATIONAL GRID USA SERVICE COMPANY, INC.
AND AFFILIATED COMPANIES ("NATIONAL GRID")**

AND

**HALLEN CONSTRUCTION ("CONTRACTOR")
ISLAND PARK, NEW YORK**

FOR

**PAERDEGAT RIVER CROSSING PROJECT ("PROJECT")
BROOKLYN, NY**

PURCHASE ORDER NO. 703755

March 7, 2012

**COPY 2
ACKNOWLEDGEMENT COPY**

AGREEMENT

This Agreement made and entered into on the date when signed by the party signing last in time, by and between National Grid USA Service Company, Inc. and Affiliated Companies, ("National Grid"), hereafter referred to as "Owner" and Hallen Construction (Contractor), a New York corporation, having its principal place of business at 4270 Austin Blvd, Island Park, New York, 11558. "Owner" or "Owners" means the party or parties identified as such in the Agreement, and may include one or more of the following affiliates of National Grid USA Service Company, Inc. ("National Grid"):

National Grid Electric Services LLC	The Narragansett Electric Company
National Grid Corporate Services, LLC	Boston Gas Company
New England Power Company	The Brooklyn Union Gas Company
Granite State Electric Company	Colonial Gas Company
Massachusetts Electric Company	Energy North Natural Gas, Inc.
Nantucket Electric Company	Essex Gas Company
Niagara Mohawk Power Corporation	KeySpan Gas East Corporation

ARTICLE 1 - SCOPE OF WORK

The Contractor hereby agrees to provide all labor, materials, equipment, apparatus, tools, Services, and facilities and everything else requisite and proper and to perform all the Work and do all things necessary to successfully complete the project in its entirety; all in accordance with this Agreement.

ARTICLE 2 - CONTRACT DOCUMENTS

The following documents, including all attached schedules, appendices, exhibits or other attachments thereto, are incorporated by reference as if fully set forth herein, and are hereinafter referred to collectively and individually as the "Contract Documents" or the "Agreement":

1. Agreement
2. Terms and Conditions 00700, dated revised 09/30/08
3. Schedule A, Supplemental Conditions
4. Schedule B, Specification

5. Schedule C – Pricing & Schedules
C1 – Fixed Firm Price
C2 – Milestone Schedule
6. Schedule D – Background Check Requirement
7. Schedule E, Safety Requirements
8. Schedule F, Environmental Requirements
9. Schedule H, Payment Bond Forms

ARTICLE 3 - SCHEDULE

The Work to be performed under this Agreement shall be in accordance with the Milestone Schedule, a copy of which is incorporated herein by reference as Schedule C2.

ARTICLE 4 - CONTRACT PRICE

This Purchase Order is issued for a Fixed Firm Price of \$ [REDACTED] as set forth in Hallen Construction Inc proposal dated January 13, 2012. The Contract Price shall be the total price to be paid by the Owner to the Contractor in accordance with the prices set forth in the proposal, unless otherwise agreed to in writing by the Owner and the Contractor. Contractor will be responsible for all labor productivity required to achieve their quoted price. The contract also has a family unit rates to be utilized only for instances of a written change in the work scope.

The Contract Price shall be all inclusive for the Work required by this Agreement in accordance with all the Contract Documents including, but not limited to, the Terms and Conditions.

Taxes: The workscope associated with this project is considered Capital Improvement and as a result is not taxable.

ARTICLE 5 - PAYMENTS

Not later than the fifth day of each month the Contractor shall submit to the Owner its invoice (less 10% retention), in a form acceptable to the Owner, for the total Milestone Work completed through the last Day of the preceding month. The total retention amount shall be invoiced and paid upon final acceptance by the Owner. The measurement and value of such completed Work shall be determined in accordance with the Milestone Price Schedule, attached hereto as Schedule C2, together with such supporting evidence as may be required by the Owner. The Owner will pay to the Contractor, subject to the terms and conditions set forth in the Terms and Conditions, the amount invoiced less previous payments.

All invoices shall be submitted and payments made in accordance with and subject to the Terms and Conditions. The invoice shall reference the Purchase Order Number and the (Project Manager Name), for which the Work is being performed.

Send Original Invoice to:

National Grid
Attn: John Lusardi - Project Manager
Accounts Payable Dept.- Building C-1
300 Erie Boulevard West
Syracuse, NY 13202
PO# 703755

ARTICLE 6 - NOTICES

Notices required or permitted under this Agreement shall be addressed to:

Contractor:

Hallen Construction

4270 Austin Blvd.

Island Park, NY 11558-9003

Attention: Pascale J. Ambrosio

Owner:

National Grid

300 Erie Blvd. West

Syracuse, NY 13202

Procurement Department, C-2

Attention: Ronald S. Micho

A copy of any such notice shall also be forwarded to Procurement Agent and to Project Manager.

ARTICLE 7 – SEVERAL LIABILITY

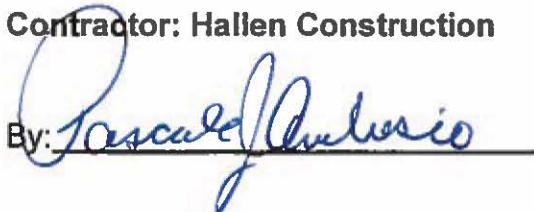
The rights and obligations of each National Grid company in connection herewith shall be several and not joint.

ARTICLE 8 - ENTIRE AGREEMENT

This Agreement, including all Contract Documents, constitutes the entire Agreement between the Owner and the Contractor, with respect to the Work specified, and all previous representations relative thereto, either written or oral are hereby annulled and superseded. No modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of each party hereto.

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed by its duly authorized representative on the day and year set forth below.

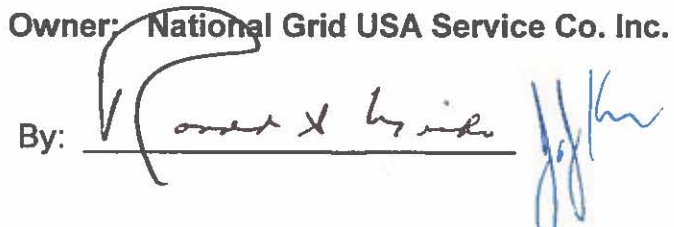
Contractor: Hallen Construction

By: 

Title: Exec. Vice President

Date: March 23, 2012

Owner: National Grid USA Service Co. Inc.

By: 

Title: Category Mgr. – Pipeline Const.

Date: February 15, 2012

NATIONAL GRID USA AND AFFILIATED COMPANIES

TERMS AND CONDITIONS

FOR

CONSTRUCTION PURCHASE ORDERS

DOCUMENT NO. 00700, REVISED 09/30/08



Terms & Conditions
00700

ACCEPTANCE OF CONDITIONS

The Contractor hereby agrees that any Work (as defined in the Purchase Order) performed for Company is

ACCEPTANCE OF CONDITIONS

The Contractor hereby agrees that any Work (as defined in the Purchase Order) performed for Company in compliance with any order, written or verbal, shall be governed by the terms and conditions cited in the Purchase Order whether or not specific reference is made to the below noted Terms and Conditions by the Purchase Order unless the Purchase Order specifically contains terms and conditions other than those contained in said Terms and Conditions; when those terms will apply to the extent that they are different.

Receipt of the below noted Terms and Conditions is hereby acknowledged on the date executed below, and the undersigned agrees to be bound to same and the signatory represents complete authority to sign on behalf of the Contractor.

The Hallen Construction Co., 1

Contractor

By:

Pascal J. Ambrosio
Pascual J. Ambrosio
Exec. Vice President

Title

Date: December 23, 2011

4270 Austin Blvd

Street Address

P.O. Box 9003

Inland Park, NY 11558-9003

City, State, Zip Code

Reference Terms and Conditions Document No. CK1700

Revision Date: 9/30/08

SCHEDULE C

PRICING & SCHEDULES

- **C1 - Lump Sum Proposal (Unit Rates extra's only)**



Microsoft Office
Excel Worksheet

- **C2 – Construction & Payment Milestone Schedule**



Milestone Payment
Schedule

Hallen Construction
LUMP SUM BID PRICING APPENDIX B-2
PAEDERGAT BASIN CROSSING

Revised

01/13/2012

5	Description	Include Option? 1 = Yes, 0 = No	UOM	Unit \$		Ext. \$ (Multiplier \$)
	FIRM LUMP SUM PRICING "I-A" - 1,500 FEET OF 30" STEEL GAS MAIN ONLY					
I-A.1	Firm Lump Sum Price - Total Project for all 30" steel gas main installation, Tie-ins, directional drilling and full restoration as described in section I.		Lump Sum			
I-A.1 Credit	Revised Lump Sum with Bergen Ave. Manhole Credit		Lump Sum			
I-A.1 Reduction	Overall Price Reduction		Lump Sum			
I-A.1 Reduction	Additional Reduction if National Grid Supplies Welding Crews		Lump Sum			
I-A.2	Pricing Breakdown (NOTE: Total Must Equal Firm Lump Sum Price Above)					
	Mobilization & Pipe Stringing:					
I-A.2.a.	Contractor Mobilization and Pipe Stringing		Lump Sum			
	Gas Main Installation - Trenching Operations Only (No Welding)					
I-A.2.b.	Install 30 Inch Steel Gas Main - South Section		Lump Sum			
I-A.2.c.	Install 30 Inch Steel Gas Main - North Section		Lump Sum			
	Welding Operations:					
I-A.2.d.	Welding of 30" Steel Gas Main for South Section of Project		Lump Sum			
I-A.2.e.	Welding of 30" Steel Gas Main for North Section of Project		Lump Sum			
I-A.2.f.	Welding of 30" Steel Gas Main for DIRECTIONAL DRILL		Lump Sum			
	Directional Drilling Operations:					
I-A.2.g.	Directional Drill Contractor Mobilization		Lump Sum			
I-A.2.h.	Directional Drill of 30" Steel Gas Main Under Inlet		Lump Sum			
	Testing:					
I-A.2.i.	Prehydrostatic Test of 30" Directional Drill Pipe		Lump Sum			
I-A.2.j.	Hydrostatic Test of Entire Project		Lump Sum			
I-A.2.k.	Provide Labor, MPT and Equipment for the Base Line Pigging performed by others		Lump Sum			
	Tie-ins:					
I-A.2.l.	Tie-ins to 30" at Ave U.		Lump Sum			
I-A.2.m.	Tie-ins to 30" at Seaview Ave.		Lump Sum			
	Restoration Work:					
I-A.2.n.	Paving & Restoration		Lump Sum			
	Pricing Breakdown = Lump Sum? (Y/N)					
	OPTIONAL PRICES:					
I-B.	Option Price "I-B" - Firm Lump Sum Price for the contractor to perform the Corrosion Protection work associated with the steel gas main installation. This work has normally been performed by National Grid personnel and will include all pipe wrapping, coating repairs, testing (jeeping) of pipe coating, installation of test stations.	1	Lump Sum	\$		Revised 1/10/12
I-C.	Option Price "I-C" - Firm Lump Sum Price for the rental of a boat for National Grid usage during Directional Drilling operations to inspect for frac-outs or when any NY State or City agency requests. This price will be for a per day rental and include a crew to operate and all pertinent safety gear per US Coast Guard regulations.	1	Per Day			
I-D.	Option Price "I-D" - Firm Lump Sum Price for the rental of an expanded Office Trailer to include temporary living quarters for extended days during drilling operations. Price must include room for a minimum of 2 inspectors with bathroom facilities.	1	Lump Sum			
I-E.	Option Price "I-G" - CREDIT FOR WELDING OPERATIONS. This credit is being requested for those contractors who choose to utilize National Grid Welders to perform all welding operations on this project. Leaving this item blank or inputting a dollar value of zero indicates that you do not choose to utilize these welders.	1	Lump Sum	\$		

Hallen Construction

Revised

01/13/2012

BID APPENDIX B-9

PAEDERGAT BASIN - UNIT PRICE SCHEDULE

Valid with National Grid welders only

Work Description		UOM	Unit \$	Ext. \$
SECTION 1.0 CLEAN FILL				
1	These units apply to trench excavations when the National Grid representative determines that acceptable backfill material needs to be provided.			
1.1	Furnish and place acceptable clean sand backfill from non-site excavated material. Includes removal and disposal of associated excess material. This unit applies to trench work only.			
1.1.1	Clean Fill - 30 In. Pipe	/ cubic yard		
1.2	Furnish & place acceptable backfill obtained from non-site excavated material. Includes removal and disposal of associated unsuitable fill.			
1.2.1	Furnish & place acceptable backfill material enveloping the main which shall be clean fill (available at in-house recycling facilities) or sand gravel mix with maximum particle size of 3/4" and have a resistivity of 8000 ohms-cm or greater. The Corrosion Section shall test the material used for proper resistivity.	/ cubic yard		
1.2.2	Furnish and place acceptable clean fill backfill material for the remainder of the excavation with no stones in excess of 3/4" diameter, no bricks, blocks, trash, frozen soil, excavated paving materials, inorganic silts and clays, or organic materials such as peat, humus, topsoil, mulch, and soil containing leaves, grass, branches, or other fibrous vegetable matter.	/ cubic yard		
1.3.0	Handling of Contaminated Soil per National Grid Specifications:			
1.3.1	Stockpile contaminated soil from areas other than those identified in the project specification.	/ cubic yard		
1.3.2	Load contaminated soil onto National Grid and/or designee trucks.	/ cubic yard		
SECTION 2.0 TEMPORARY PAVING				
2	These units apply to the installation of temporary paving above the scope of work identified in the lump sum bid. All inclusive price to furnish and install hot and/or cold patch.			
2.1	2 in. thickness (hot patch)	/ square yard		
2.2	2 in. thickness (cold patch)	/ square yard		
2.3	4 in. thickness (hot patch)	/ square yard		
2.4	4 in. thickness (cold patch)	/ square yard		
SECTION 3.0 WELDING				
3	These units applicable to complete steel welds for the pipe diameters indicated below. These units to be used for both the addition and deletion to the original work scope.			
3.1.0	Butt Weld Steel Pipe:			
3.1.1	30 in. dia. Pipe	/ each	\$	
3.2.0	Butt Weld Steel Fittings or Valves:			
3.2.1	30 in. dia. Pipe	/ each	\$	
3.3.0	Valve Installation - Contractor to furnish all labor, consumable material and equipment required to install steel valves. Unit price includes all welds, excavation, shoring and corrosion control required to complete the installation.			
3.3.1	Valve Installation - 30 In. dia. pipe	/ valve	\$	
3.4.0	Butt Weld Steel Tees			
3.4.1	Weld Steel Flanges Tees	/ each		
3.5.0	Western Purge			
3.5.1	Complete western purge and install to main per National Grid Standard PURG-6010	/ each	\$	
SECTION 4.0 OBSTRUCTIONS				
4	Unit prices shown below are for increased work scope connected with unknown obstructions not shown on prints or that cannot be field identified as a potential interference. These unit prices cover excavating, supporting and providing clearance and installation at the obstruction location. This unit also covers vertical excavations to maintain a minimum of 12" clearance from obstruction.			

10.1.2	Tunnel length over 5 Ft. to 10 Ft.	/ linear foot	
SECTION 11.0 PROTECTION FOR REDUCED COVER			
11	Contractor to furnish and install one inch thick steel plate as protection over the gas main installed at reduced cover when directed by National Grid.		
11.1.0	Steel Plate Installation		
11.1.1	One Inch Steel Plate Installed	/ square foot	
SECTION 12.0 OFFSET INSTALLATION EXPENSE			
12	Covers incremental costs associated with all inefficiencies and resultant delays when out of scope offsets are installed. Does not include fusions / welds which are covered under Unit 3. The application of this unit is limited to unplanned offsets only, necessitated by obstructions during actual excavation for main installation, where no prior markout, drawing, test hole or other prior information could have been available.		
12.1.0	All inclusive unit price covering installation from layout to backfill for vertical offset.		
12.1.1	Vertical Offset Installation - price per 30" Elbow	/ 30" steel elbow	
12.1.0	All inclusive unit price covering installation from layout to backfill for horizontal offset.		
12.2.1	Horizontal Offset Installation - price per 30" Elbow	/ 30" steel elbow	
SECTION 13.0 PERMANENT PAVING UNIT PRICES			
13	Unit prices shown below are for increased work scope for permanent paving and restoration items.		
13.1.0	Permanent Paving		
13.1.1	Permanent Paving - 1-1/2" Blacktop	/ square yard	
13.1.2	Permanent Paving - 2" Blacktop	/ square yard	
13.1.3	Permanent Paving - 4" Blacktop	/ square yard	
13.1.4	Permanent Paving - 4" NYS Type 3 Dense Binder Base and 2" 6F Top Mix	/ square yard	
13.1.5	Permanent Paving - 6" NYS Type 3 Dense Binder Base and 2" 6F Top Mix	/ square yard	
13.1.6	Permanent Paving - 10" NYS Type - Dense Binder Base and 2" 6F Mix Top	/ square yard	
13.1.7	Permanent Paving - 6" RCA Sub Base Mix - NYS Quality	/ square yard	
13.1.8	Permanent Paving - 6" RCA Sub Base Mix - County/Town Mix	/ square yard	
13.1.9	Permanent Paving - 4" Concrete (no steel)	/ square yard	
13.1.10	Permanent Paving - 6" Concrete (reinforced)	/ square yard	
13.1.11	Permanent Paving - 8" Concrete (reinforced)	/ square yard	
13.1.12	Permanent Paving - 6" x 18" curb	/ linear foot	
13.1.13	Permanent Paving - 18" x 6" x 24" Monolithic Concrete Curb & Gutter	/ linear foot	
13.1.14	Permanent Paving - Type III Concrete with Calcium Chloride (18502.6028)	/ cubic yard	\$
13.2.0	Testing		
13.2.1	Soil compaction testing services from NY State / County approved consultant to verify municipality requirements.	/ day	
13.3.0	Pavement restoration in those area where offsets move into the pavement area or out of scope pavement areas. This price will include a square yard price that will include 1. Milling of 2" of existing pavement, 2. Install 2" Top Coat, 3. Sealant of all seams.		
13.3.1	Final pavement restoration	/ square yard	
13.3.2	Thermoplastic Line Striping	/ linear foot	
	6" wide	/ linear foot	
	12" wide	/ linear foot	
SECTION 14.0 SOD / SEED AND TOPSOIL			
14	Unit prices shown below are for increased work scope for topsoil and seeding.		
14.1.0	Prices include all labor and furnishing of material.		
14.1.1	Sod	/ square foot	

21.4	Clearing and grubbing -> 1,000 sq. yds.	/ square yard	
SECTION 22.0 LEACHING BASINS			
22	Installation of concrete leaching basins. Must include a minimum of 2 rings each at 4 feet in height and 8 feet in diameter, concrete cover and cast iron road grate, and a minimum of 3 ft high brick chimney and 6" thick layer of blue stone around the complete diameter of the rings.		
22.1	Leaching Basins	/ each	
SECTION 23.0 DOLOMITE			
23	Installation of 3/4" stone dolomite stone bedding a minimum of 4" thick with a commercial weed barrier blanket.		
23.1	Dolomite	/ square yard	
SECTION 24.0 LEAN CONCRETE BEDDING			
24	Installation of a lean concrete bedding over gas facilities as directed by National Grid personnel. Maximum rating of concrete not to exceed 500 psi.		
24.1	Lean Concrete Bedding	/ cubic yard	
		Total:	

Hallen Construction

Progress Payment Schedule

02/08/2012

Description

Original Lump Sum Price - Total Project for all 30" steel gas main installation,
Hallen Credit

Option Price "I-G" - CREDIT FOR WELDING OPERATIONS.

Revised Lump Sum

Option Price "I-B" - Firm Lump Sum Price for the contractor to perform the
Provide Builders Risk Insurance for HDD Pipe

Contract Award



Actual

less 10% Retention

February 29,2012 Progress Payment

March 31,2012 Progress Payment

April 30,2012 Progress Payment

May 31,2012 Progress Payment

June 30,2012 Progress Payment

Retention Amount (Payable Upon Final Acceptance)

Total

