



AGREEMENT

BETWEEN

**KEYSPAN GAS EAST CORPORATION &
THE BROOKLYN UNION GAS COMPANY
d/b/a ("NATIONAL GRID")**

AND

**MICHELS CORPORATION ("CONTRACTOR")
BROWNSVILLE, WISCONSIN**

FOR

**PHASE I – BROOKLYN - QUEENS INTERCONNECT ("PROJECT")
BROOKLYN, NY**

PURCHASE ORDER NO. 734195

OCTOBER 11, 2012

COPY 1

AGREEMENT

This Agreement made and entered into on the date when signed by the party signing last in time, by and between The Brooklyn Union Gas Company & Keyspan Gas East Corporation, d/b/a ("National Grid"), hereafter referred to as "Owner" and Michels Corporation (Contractor), a Wisconsin corporation, having its principal place of business at 817 West Main Street, Brownsville, Wisconsin, 53006. "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"):

The Brooklyn Union Gas Company
One MetroTech Center
Brooklyn, NY 11201

KeySpan Gas East Corporation
175 East Old Country Road
Hicksville, NY 11801

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. National Grid USA Service Company, Inc. and Affiliated Companies Terms and Conditions for Construction Purchase Orders, Document No. 00700, dated 11/18/11 (as amended)

3. Schedule A - Supplemental Conditions
4. Schedule B - BQI Specification G-09-01 dated March 2012
5. Schedule C – Pricing & Schedules
C1 – Fixed Firm Lump Sum Price & Unit Price Schedule
C2 – Milestone Schedule
6. Schedule D – Background Check Requirement & EEO Compliance
7. Schedule E - Safety Requirements
8. Schedule F - Environmental Requirements
9. Schedule G - Payment / Performance Bonds & Pipe Insurance
10. Schedule H – Michel’s Corporation Drug & Alcohol Plan
11. Schedule I – BQI Pre-bid meeting notes
12. Schedule J – Sample Change Control Form

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 Michels Corporation revised proposal dated May 31, 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 Price Options to be utilized only for instances of a written change in the work scope via an approved Change Control form. (Schedule J).

¹ (excluding Michels Memorial Day Work Stoppage charges for Demobilization & Re-mobilization)

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 work scope 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: Thomas Buckleman - Project Manager

Accounts Payable Dept.- Building C-1

300 Erie Boulevard West

Syracuse, NY 13202

PO #734195

ARTICLE 6 – NOTICES

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

Contractor:

Michels Corporation

817 West Main Street

Brownsville, WI 53006

Attention: Robert Osborn

Owner:

National Grid USA Service Company

300 Erie Blvd. West

Syracuse, NY 13202

Attention: Ronald S. Micho

A copy of any such notice shall also be forwarded to the Project Manager.

ARTICLE 7 – SEVERABILITY

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: Michels Corporation

Owner: National Grid

Signed by: _____

Signed by: _____

Name: Robert Osborn

Name: Ronald S. Micho

Title: VP Pipeline Operations

Title: Category Mgr-Global Procurement

Date: _____

Date: October 11, 2012

Signed by: _____

Name: John Kavanaugh

Title: Director - Global Procurement

Date: _____

Signed by: _____

Name: Ross Turrini

Title: VP - US Procurement

Date: _____

NATIONAL GRID USA AND AFFILIATED COMPANIES

TERMS AND CONDITIONS

FOR

CONSTRUCTION PURCHASE ORDERS

DOCUMENT NO. 00700, REVISED 11/18/11

WITH

MICHELS CORPORATION



Michels Signed BQI
Terms & Conditions.p

SCHEDULE A

SUPPLEMENTAL CONDITIONS

- Exhibit A - Michels Exceptions & Clarifications



Michels Exhibit A.pdf



EXHIBIT A
CLARIFICATIONS (10

- Insurance Certificates



Michels Pipeline -
National Grid Pollutor



Michels Pipeline -
National Grid Professi

- TBTA Lease Insurance Requirements

The following Insurance requirements shall be in addition to the requirements referenced in Item Article 25 – Contractor’s Insurance, Section 25.1 of the National Grid USA Service Company and Affiliated Companies Terms and Conditions for Construction Purchase Orders, Document No. 00700, revised 11/18/11.

As noted in the TBTA agreement:

During any Construction, Installation, Maintenance, or Alteration work in or upon the Lessor location, the Lessee (KeySpan Gas East Corporation) shall require its contractor(s) to supply proof of the following coverages to the Lessor (Triborough Bridge and Tunnel Authority) for approval before any work is begun.



TBTA Lease
Contractor Insurance

- Michels Memorial Day Work Stoppage charges for Demobilization & Re-mobilization



Michels - Memorial
Day Mob Re-mob(rev

SCHEDULE B

BROOKLYN – QUEENS INTERCONNECT PROJECT SPECIFICATION



G-09-01-BQI Project
Specification (3-15-12)

This Specification, G-09-01, and other general specifications, Construction Standards and Drawings to which reference is made, together with the Agreement, are intended to cover all supervision, labor, materials and equipment beyond what is provided, necessary to install the 26-inch & 12-inch steel gas mains, tie-ins, valves, appurtenances, fittings, piping, pressure testing, pavement removal, temporary and permanent pavement, cleaning and grading, restoration of top soil, seed, sod, and the removal and replacement of trees, shrubbery, fencing or any other obstruction as required within this Project Specification. In any case where this Specification may contradict referenced Specifications or Standards, this Specification shall govern. Work on TBTA property shall be in accordance with the Division 1 Specifications set forth in Appendix H of this Project Specification.

Note: Conflict resolution – the most stringent requirement is assumed to be applicable (assume the worst)

SCHEDULE C

PRICING & SCHEDULES

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



Michels BQ1 Bid
Addendum 3 Pricing S



Contract Pricing
Agreement.xls

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



Michels revised
National Grid Brooklyr

SCHEDULE D

BACKGROUND CHECK REQUIREMENTS & EEO COMPLIANCE



NGSP 6 - Attachment
B-2.pdf



Michels 11.9 EEO
Certificate.pdf

SCHEDULE E

SAFETY REQUIREMENTS

- National Grid USA Companies Safety Procedure, Contractor Safety Requirements N -1402 dated 02/01/2011



N-1402 Contractor
Safety Rqmts

- Michels Corporation - Brooklyn Queens Interconnect Project Site Specific HASP



National Grid-
Brooklyn Queens Inte

SCHEDULE F

ENVIRONMENTAL REQUIREMENTS

- (EP-6) National Grid USA Environmental Requirements - Contracted Services – Environmental Procedure No. 6 – Appendix B & C - Rev. No. 5



EP6_AppC.pdf



EP6_AppB.pdf

- (EP-17) National Grid USA Environmental Requirements Construction Projects



EP17 Construction
Projects.pdf

- (EP-3) National Grid USA Environmental Procedure Natural Resource Protection
(Previously provided in RFQ not attached)



EP3 Natural
Resource Protection.]

SCHEDULE G

PAYMENT / PERFORMANCE BOND & PIPE BOND

- **Payment / Performance Bond - \$85,000.00**



BQI Performance &
Payment Bonds (10-2)

- **Pipe Insurance - \$8,035.00**



National Grid USA -
Pipe Coverage.pdf

SCHEDULE H

MICHELS CORPORATION DRUG & ALCOHOL PLAN
(Previously submitted not attached)



Michels Drug &
Alcohol Plan.pdf

SCHEDULE I

BQI PRE-BID MEETING NOTES



BQI Pre Bid Meeting
March 14 Rev2.doc

SCHEDULE J

SAMPLE CHANGE CONTROL FORM



Sample Change
Control form.pdf