



**CONTRACT PURCHASE AGREEMENT**

**BETWEEN**

**BROOKLYN UNION GAS-KEDNY  
HICKSVILLE, NEW YORK**

**AND**

**HALLEN CONSTRUCTION CO, INC.  
ISLAND PARK, NEW YORK**

**FOR**

**NYC LOCAL LAW 30 SHUT OFF DEVICE PROJECT**

**SAP PO AGREEMENT #3200136118**

**SEPTEMBER 30, 2014**

**COPY NO. 2**

## **AGREEMENT**

This Purchase Agreement, made and entered into on the date when signed by the party signing last in time, by and between **Brooklyn Union Gas-KEDNY (Owner)**, a New York corporation, with offices at 175 East Old Country Road, Hicksville, New York, 11801 and **Hallen Construction Co., Inc. (Contractor)** having its office and principal place of business at 4270 Austin Blvd., Island Park, New York, 11558-9003, for the Work ("Work") identified as follows:

### **NYC LOCAL LAW 30 SHUT OFF DEVICE PROJECT**

#### **PURCHASE ORDER #3200136118**

#### **ARTICLE 1 - SCOPE OF WORK ("Work")**

The Contractor hereby agrees to provide all qualified Labor, Supervision, materials and equipment (to the extent not furnished by the Owner), necessary to provide unit price contract for all labor, engineering, services, materials equipment, tools, and supervision necessary to successfully complete all work detailed for the installation of a backlog of Low Pressure (LP) services that require the installation of an external shut-off device per Building Code of the City of New York Local Law 30 (LL30).

Phase I service completions required: approximately 34,000. All identified services in Phase I must be completed prior to 31 December 2016.

All work shall be in accordance with all requirements set forth in Ariba Doc #351289915 Request for Quotation and all attachments and specifications included herein. All work to include adhering to all National Grid safety guidelines and environmental requirements. Contractor will be required to coordinate work with the corporation's work force as required.

## **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". The Agreement is comprised of the following in descending order of precedence:

Agreement	
Schedule A-	Terms and Conditions replaced as of 5-13-14. 00700 dated Terms and Conditions for Construction, Rev 11 KEB update -5-13-14 agreed to with noted exceptions by Pat Ambrosio. (Attachment) Hallen Construction Co. Inc. Certificate of Insurance. (Attachment)
Schedule B-	National Grid Contractor Safety Requirements N-1402 Rev 7. 9-11-13. (Attachment)
Schedule C-	Contractor Environmental Requirements. EP6 (Appendix C), EP6 (Appendix B)
Schedule D-	Requirements for Contractor Employee Background Checks Compliance Form. (Attachment)
Schedule E-	Contractor Compliance to FMCSA and PHMSA Drug and Alcohol Regulatory Requirements Dated 4-11-14. (Attachment)
Schedule F-	Affirmative Action Form.
Schedule G-	Anti-Drug and Alcohol Specification CMD-101
Schedule H-	Scope of Work "National Grid Project Specification Phase 1 – Criteria for Completing Remaining Local Law 30 Services under Bundled Final WJR. Map of Bid Areas previously provided in Ariba Doc #351289915- Local Law 30 NYC Shut Off Device Project.
Attachment A-	Contract Pricing

### **ARTICLE 3 - AGREEMENT DURATION**

The Agreement shall commence on or about November 3, 2014. Phase I will be a 3 year contract, with an option to extend an additional 3 years for Phase II requirements. The Owner reserves the right, at its sole option, to cancel this contract at any time and for any reason.

### **ARTICLE 4 – SCHEDULE**

Any Work to be performed under this Agreement shall be completed within the schedule **developed by the Owner**. The Contractor will work the schedules as requested by the Owner. The work shall commence on or about November 3, 2014 and proceed to on or about December 31, 2016. The Owner reserves the right, at its sole option, to cancel this contract at any time and for any reason.

### **ARTICLE 5 - CONTRACT PRICE**

This Contract Purchase Agreement is issued in accordance with the firm fixed pricing, as set forth in Hallen Construction Co. Inc., revised proposal dated June 27, 2014.

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 includes Labor Rates to be utilized only for instances of out of scope work to be authorized by National Grid Supervision prior to incurring any charges. 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 for NYS Sales and Use tax purposes and as a result is not taxable. Please remember that benefit as a capital improvement is the exemption of contractor labor from sales tax. If National Grid provides the material then we will have to accrue NYS use tax on the materials. If the contractor provides the material then the contractor will have to pay the tax which is included in the cost of your proposal. (not as a tax but as an additional cost to the materials they are providing.)

## **ARTICLE 6 – PAYMENTS**

1. For all sums payable to Contractor, as described in Article 5, National Grid will pay Contractor within thirty (30) days from receipt of an acceptable invoice. Any allowable time for early payment discount will begin the day the invoice is received at National Grid. The invoice date will not be used to calculate the allotted time available for National Grid to exercise the specified payment discount. Unacceptable invoices may, at National Grid's option, be adjusted and paid as adjusted, or returned to Contractor for correction and re-submittal.
2. All invoices shall be submitted and payments made in accordance with and subject to the terms and conditions set forth in National Grid and Affiliated Companies Terms and Conditions for Construction Purchase Orders Document No. 00700 (05/13/14).
3. Invoicing will be authorized for payment utilizing National Grid's CCH interface system. The Contractor shall utilize this system for processing invoices.

Send all invoices to:

National Grid  
Accounts Payable Department – Bldg. C-1  
300 Erie Boulevard West  
Syracuse, New York 13202  
Copy to: Robert Osman

- . Invoices shall contain the following information:
- . Date of request
- . Price detail consistent with Cost Proposal
- . Purchase Order number
- . Requestor's name - Robert Osman

## **ARTICLE 7 – SAFETY**

1. The Contractor assumes complete responsibility for the safe performance of the work and shall comply fully with:
  - a. National Grid Safety Procedure N-1402 (Schedule B)
  - b. National Grid General Safety Requirements (SHE01001 Rev. 1)
  - c. National Grid and Affiliated Companies Terms and Conditions for Construction Purchase Orders Document No. 00700 (05/13/2014) accepted by Pat Ambrosio with noted exceptions.

## **ARTICLE 8 – TAXES**

The Contractor is responsible for all applicable taxes associated with the workscope. Taxes are not applicable to labor. No sums in addition to the original contract amount will be paid by the Owner for taxes, fees, permits, or other levies, which may be imposed on the work by any authority having jurisdiction over the work of services to be provided/ performed by the Contractor.

## **ARTICLE 9 – LIMITATION**

The Contractor shall not revise the scope of work or deliverable products contained therein or incur costs to the purchaser's account in excess of the total Agreement without the Owner's prior written approval; such approval to be incorporated by formal amendment to this Agreement.

## **ARTICLE 10 – UNAUTHORIZED DISCLOSURE**

The Owner considers any information provided to you in the course of business to be privileged and confidential between the Contractor and the Owner. This includes, but is

not limited to, written data of any kind, business information, request for proposals, specifications, engineering data and any and all technologies and data either obtained or observed while supplying the commodity/service required by the Agreement. Unauthorized disclosure of information to third parties by you may lead to cancellation of the Agreement, loss of future business opportunities and/or the effects of any other remedies that may be available to the Owner.

#### **ARTICLE 11 – ACKNOWLEDGEMENT**

The Contractor agrees that it will not be entitled to payment until this Agreement is signed and returned to the National Grid Procurement Department. In the absence of The Contractor's written acceptance, performance of any part of the work provided for by this Agreement shall constitute acceptance of all provisions of this Agreement.

#### **ARTICLE 12 – MISCELLANEOUS**

This Agreement cannot be changed, altered, modified, amended, waived or discharged orally. Any such changes, alterations, modifications, amendments, waivers, or discharges can only be made effective when embodied in a written Agreement Change signed by an authorized representative or officer of the Owner and the Contractor.

The Agreement, as the same may be amended from time to time in writing by an Agreement Change, sets forth the full and complete understanding of the parties regarding the services to be performed by the Contractor for the Owner and supersedes any and all prior and contemporaneous agreements, commitments, understandings, and discussions, whether written or oral, which may have existed relating to the services to be performed by the Contractor. This Agreement shall not merge with or be terminated or superseded by any future agreement between the Parties that does not specifically so provide and without an Agreement Change to that effect. THE PARTIES HAVE READ AND UNDERSTAND THIS AGREEMENT AND AGREE TO BE BOUND BY ITS TERMS.

**ARTICLE 13 - ENTIRE AGREEMENT**

This Agreement, including all Contract Documents, constitutes the entire Agreement between the Owner and the Contractor, with respect to the Work specified in the relevant Work Authorization Form, 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.

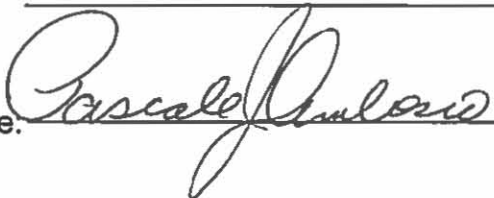
IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed by its duly authorized representative on the day and year set forth below.

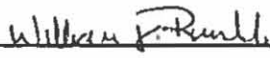
**Contractor:**  
**Hallen Construction Co., Inc.**

**Owner:**  
**Brooklyn Union Gas-KEDNY**

By: \_\_\_\_\_


By: \_\_\_\_\_

Name: 

Name: 

Title: Exec. Vice President

Title: Lead Buyer Construction

Date: ~~September 30, 2014~~   
October 22, 2014

Date: September 30, 2014



# Certificate of Capital Improvement

After this certificate is completed and signed by both the customer and the contractor performing the capital improvement, it must be kept by the contractor.

Read this form completely before making any entries.

This certificate may not be used to purchase building materials exempt from tax.

Name of customer (print or type) Keyspan Gas East Corporation	Name of contractor (print or type) Hallen Construction Co., Inc
Address (number and street) 175 East Old Country Road	Address (number and street) 4270 Austin Blvd.
City State ZIP code Hicksville NY 11801	City State ZIP code Island Park NY 11558-9003
Sales tax Certificate of Authority number (if any) 11-3434848	Sales tax Certificate of Authority number (if any) 11-0852580

### To be completed by the customer

Describe capital improvement to be performed:

Installation of a <sup>backup</sup> ~~backlog~~ of Low Pressure (LP) services that require the installation of an external shut-off device

per Building Code of the City of New York Local Law 30 (LL30).


Project name NYC Local Law 30 Shut Off Device Project	City Brooklyn & Queens	State NY	ZIP code
Street address (where the work is to be performed) Newtown, Springfield, Canarsie, Bay Ridge, & Redhook			

I certify that:

- I am the (mark one)  owner  tenant of the real property identified on this form; and
- the work described above will result in a capital improvement to the real property within the guidelines of this form; and
- this contract (mark one)  includes  does not include the sale of any tangible personal property that, when installed, does not become a permanent part of the real property (for example, a free-standing microwave or washing machine).

I understand that:

- I will be responsible for any sales tax, interest, and penalty due on the contractor's total charge for tangible personal property and for labor if it is determined that this work does not qualify as a capital improvement; and
- I will be required to pay the contractor the appropriate sales tax on tangible personal property (and any associated services) transferred to me pursuant to this contract when the property installed by the contractor does not become a permanent part of the real property; and
- I will be subject to civil or criminal penalties (or both) under the Tax Law if I issue a false or fraudulent certificate.

Signature of customer 	Title Assistant Treasurer	Date 10/20/2014
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### To be completed by the contractor

I, the contractor, certify that I have entered into a contract to perform the work described by the customer named above, and that I accept this form in good faith. (A copy of the written contract, if any, is attached.) I understand that my failure to collect tax as a result of accepting an improperly completed certificate will make me personally liable for the tax otherwise due, plus penalties and interest.

Signature of contractor or officer	Title	Date
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This certificate is not valid unless all entries are completed.

# **SCHEDULE A**

**NATIONAL GRID AND AFFILIATED COMPANIES**

**TERMS AND CONDITIONS**

**FOR**

**CONSTRUCTION PURCHASE ORDERS**

**DOCUMENT NO. 00700 (05/23/2014)**

**&**

**SIGNATURE PAGE**



Hallen Construction T  
& C Page and Exceptic

**CERTIFICATE OF INSURANCE**



Hallen Insurance  
Certs 2014 with Waive



## **SCHEDULE B**

**NATIONAL GRID SAFETY PROCEDURE  
“CONTRACTOR SAFETY REQUIREMENTS”  
DOCUMENT NO. N-1402, REV. 7  
DATED (09/11/2013)**



**NATIONAL GRID GENERAL SAFETY REQUIREMENTS  
DOCUMENT NO. SHE01001 REV. 1  
DATED (03/15/2013)**



<sup>1</sup>SHE01001 Rev.1 dated 03-15-13 cancels and supersedes General Safety requirements SAFE5050-LI-NYC and 090001-PL

# SCHEDULE C

## CONTRACTOR ENVIRONMENTAL REQUIREMENTS



ENVIRONMENTAL  
EP17 Construction Pn



ENVIRONMENTAL  
EP6 AppB.pdf



ENVIRONMENTAL  
EP6 AppC.pdf

## **SCHEDULE D**

### **CONTRACTOR EMPLOYEE BACKGROUND CHECKS**

**(Previously submitted via ISNetworld)**



Hallen Construction  
Background Check[1].

# **SCHEDULE E**

## **CMD-101 ANTI DRUG PROGRAM**

**(Previously submitted via ISNetworld)**



# **SCHEDULE F**

## **AFFIRMATIVE ACTION POLICY / FORM**



NationalGridSupplier  
DiversityPolicyStater



## **SCHEDULE G**

### **CONTRACTOR COMPLIANCE TO FMCSA AND PHMSA DRUG & ALCOHOL REGULATORY REQUIREMENTS DATED 4-11-14**



Contractor  
Compliance to FMCSA

## **SCHEDULE H**

**Local Law 30 Phase 1 Specification / Work Scope.  
Phase 1 – Criteria for Completing Remaining LL30 Services Under  
Bundled Final WJR.doc**



PHASE I CRITERIA  
FOR COMPLETING RE

**Map of Bid Areas  
(Previously provided in Ariba Doc # 351289915)**



MAP Bid Areas BU.pdf

# **ATTACHMENT A**

## **PRICING HALLEN CONSTRUCTION CO, INC.**



Revised Hallen Local  
Law 30 NYC External 9