STATE OF GEORGIA COUNTY OF WALTON

NATURAL GAS DELIVERY SERVICE AGREEMENT

THIS NATURAL GAS DELIVERY SERVICE AGREEMENT (the "Agreement") is made and entered into this _____ day of ______, 2024 (the "Effective Date") by and between the CITY OF MONROE, GEORGIA, a municipal corporation of the State of Georgia, by and through its Mayor and Council (hereinafter referred to as "Monroe" or the "City of Monroe") and WALTON COUNTY, GEORGIA, a political subdivision of the State of Georgia, by and through its Chairman and Commissioners (hereinafter referred to as "Walton" or "Walton County") with the City of Monroe and Walton County referred to collectively herein as the "Parties."

WITNESSETH:

WHEREAS, the City of Monroe has a utility department and supplies Natural Gas residential and commercial to customers ("Gas"); and,

WHEREAS, Walton County is building the new Walton County Public Safety Complex off Hammond Drive in Monroe, Walton County ("Public Safety Complex"); and,

WHEREAS, Walton County will need more Gas service than what is currently available in the area; and,

WHEREAS, the City of Monroe has entered into a contract with Goodwyn Mills Cawood (the "Engineers") for the engineering of a 4-inch steel pipeline to serve the new critical firm gas load to the Public Safety Complex while maintaining the current high-pressure pipeline in compliance with DOT Code; and,

WHEREAS, the cost estimate for the upgraded 4" gas pipeline to serve the Public Safety Complex project is Two Million Four Hundred Seventy-Seven Thousand Three Hundred Forty-Two and 00/100 Dollars (\$2,477,342.00); and,

WHEREAS, the Parties hereto desire to enter into a contract for the cost sharing of the Gas pipeline installation between the Parties and to set forth the terms and conditions for the cost sharing thereof; and,

WHEREAS, the City of Monroe desires to share the costs of the Gas pipeline installation with Walton County contributing One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000.00) to the project and the City of Monroe covering all additional costs of engineering and installation;

NOW, THEREFORE, for and in consideration of the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto intend to be legally bound, and do agree as follows:

1. <u>Allocation</u>. The above recitals are made a part of this Agreement. The City of Monroe shall make available to Walton County at certain points of delivery hereinafter defined upon completion of the installation of the new gas pipeline of Natural Gas in such quantity and at such prices as specified hereinafter in this Agreement.

2. <u>Quantity of Natural Gas.</u> The City of Monroe shall sell to Walton County all Gas that Walton County needs for the operation of the Public Safety Complex at then existing standard commercial/industrial gas rates charged by the City of Monroe on a monthly basis.

3. Primary Distribution Line.

Distribution of Gas to the Public Safety Complex shall be accomplished through the construction of a certain primary gas distribution line more fully shown in the attached Exhibit "A," attached hereto and incorporated fully herein (the "Primary Distribution Line").

The total amount of funds to be expended for the build out and construction of the Primary Distribution Line shall be the "Construction Costs" of the Primary Distribution Line. The Construction Costs are estimated to be no less than Two Million Four Hundred Seventy-Seven Thousand Three Hundred Forty-Two and 00/100 Dollars (\$2,477,342.00).

The City of Monroe shall be responsible for all the initial expenditures of the Construction Costs to build out and develop the Primary Distribution Line. Upon completion of the Primary Distribution Line to the Public Safety Complex the City of Monroe shall invoice Walton County for One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000.00) representing Walton County's cost share of the Construction Costs of the Primary Distribution Line. Walton County shall pay said invoice within thirty (30) days of receipt.

4. <u>Billing Procedure.</u> The City of Monroe will furnish Walton County at its address, or through an alternate method as agreed upon by the Parties, a monthly itemized statement of the amount owed to the City of Monroe by Walton County for all Natural Gas provided for use at the Public Safety Complex. The standard billing procedures of the City of Monroe shall apply and Walton County shall pay the bill in full within thirty (30) days of the City of Monroe's mailing of same.

5. <u>Failure to Deliver</u>. The City of Monroe will at all times operate and maintain its gas system in an efficient manner and will take such actions as will be necessary to furnish Walton

County with quantities of Gas required by this Agreement, excepting only events of Force Majeure beyond the control of the City of Monroe.

6. <u>Rules and Regulations.</u> This Agreement and the providing of Natural Gas by the City of Monroe to Walton County is subject to the same rules, regulations, or laws as may be applicable to similar agreements in this state, and the City of Monroe and Walton County will collaborate and obtain such permits, certificates, or the like, as may be required to comply therewith. Walton County agrees to comply with all rules and regulations that the City of Monroe has now or may in the future impose on its gas customers.

7. <u>Notice.</u> All notices, requests, demands or other communications required or permitted to be given hereunder shall be in writing by U.S. certified mail, return receipt requested, or statutory overnight delivery, and shall be addressed and delivered to each Party at the addresses set forth below. By giving prior written notice thereof, either Party may from time to time and at any time change its address for notices hereunder.

If to City of Monroe:

City of Monroe c/o Mayor John Howard 215 North Broad Street Monroe, Georgia 30655

With Copy to counsel for the City of Monroe:

Paul L. Rosenthal, Esq. Preston & Malcom, P.C. 110 Court Street Monroe, Georgia 30655

If to Walton County:

Walton County Board of Commissioners c/o Chairman David Thompson 100 N. Broad Street Monroe, Georgia 30655

With Copy to counsel for Walton County:

Charles M. Ferguson, Jr., Esq. Atkinson Ferguson, LLC 118 Court Street Monroe, Georgia 30655

8. <u>Georgia Law.</u> It is the intention of the Parties that the laws of Georgia shall govern the validity of this Agreement, the construction of its terms and the interpretation of the rights or duties of the Parties.

9. <u>Cooperation.</u> On and after the date of this Agreement, either of the Parties shall at the request of the other, make, execute and deliver or obtain and deliver all instruments and documents and shall do or cause to be done all such other things which either Party may reasonably require to effectuate the provisions and intentions of this Agreement.

10. Time. Time is and shall be of the essence of this Agreement.

11. <u>Power.</u> The Parties signing this Agreement hereby state that they have the power to do so on behalf of the entity for whom they are signing.

12. <u>Effective</u>. This Agreement shall be effective upon the Parties hereto and their assigns and successors in office.

13. <u>Cumulative</u>. Except as expressly limited by the terms of this Agreement, all rights, powers, and privileges conferred hereunder shall be cumulative and not restrictive of those provided at law or in equity.

14. Force Majeure. In case by reason of force majeure, any Party hereto shall be rendered unable wholly, or in part, to carry out its obligations under this contract then if such Party shall give notice and full particulars of such force majeure in writing to the other Party within a reasonable time after occurrence of the event or cause relied on, the obligation of the Party giving such notice, so far as it is affected by such force majeure, shall be suspended during the continuance of the inability then claimed, but for no longer period. Such Party, shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "force majeure" as employed herein, shall mean act(s) of God, strikes, lockout(s) or other industrial disturbance(s), act(s) of public enemy, order(s) of any kind of the Government of the United States or the State of Georgia or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrest, restraint of government and people, civil disturbances, explosions, breakage or accident(s) to machines, pipe lines, or any other cause(s) outside the Party's control which prevent performance under this Agreement.

15. <u>Entire Contract.</u> This Agreement constitutes the entire contract and agreement between the Parties and it supersedes and replaces all letters, memoranda, or other documents signed by the parties hereto with respect to the sale of gas by the City of Monroe to Walton County as it relates solely to the installation of a new service line for and supplying of Gas to the Public Safety Complex. Any modification of this Agreement must be in writing signed by both Parties.

[Remainder of page left intentionally blank. Signature page to follow.]

IN WITNESS WHEREOF, the Parties have hereunto set their hands and seal, the Effective Date first written above.

CITY OF MONROE, GEORGIA

Witness

_(SEAL)

John Howard, Mayor

Notary Public

(SEAL) Beverly Harrison, Interim City Clerk

WALTON COUNTY, GEORGIA

(SEAL)

David Thompson, Chairman

Notary Public

Witness

(SEAL) Rhonda Hawk, County Clerk

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Exhibit "A"

	Delivered by email to: RMIDDLEBROOKS@MONROEGA.GOV
Goodwyn Mills Cawood	August 15, 2023
915 Lady Street Suite C Columbia, SC 29201	Mr. Rodney Middlebrooks Utilities Director
Т (803) 766-1235	Mr. Bryan Pittman
www.gmcnetwork.com	Gas Superintendent
	City of Monroe
	215 North Board Street

Subject: Walton County Jail Complex Natural Gas Engineering

Dear Rodney and Bryan:

Monroe, Georgia 30655

As follow up to our recent phone call we understand the Walton County Prison Site project has broken ground and the new gas service to the site needs to be completed in time to meet the project's schedule for firm gas deliveries to the site.

Given the timelines for survey, design, geotechnical, permitting, procurement and construction we recommend the gas portion of the project be started at your earliest convenience. We understand the City of Monroe has already, or will soon, enter into a development agreement with Walton County for this project and cost reimbursement.

As proposed in the study recently completed by GMC for this project, we recommend proceeding with a 4-inch steel, 400 PSIG MAOP pipeline to serve this new critical firm gas load while maintaining your current high-pressure pipeline MAOP in compliance with DOT 192 Code.

Should you wish to consider a 6-inch line we can allow flexibility in the design process to allow for an upgrade during the design review process. Due to our recent experience with similar sized projects, market pricing, materials lead times and market place constraints we recommend starting field surveys, geotechnical borings, and design immediately.

Our proposed engineering agreement is based upon the extensive pre-design study and findings from the Walton County Jail Complex Engineers Report dated December 2022 and the recent update submittal for final gas loads submitted by email August 3, 2023 including the City of Monroe selection of the preferred route, i.e. Route 3, copy attached, contingent on final design and GDOT permitting requirements.

Engineering Work Scope:

- a. Meet with Monroe gas staff for a project kick off meeting and site visits to review the route, the prison site location for the gas pipeline terminus and the highpressure gas supply tap location.
- b. Provide engineering, permitting, and procurement services for:
 - i. Developing a design basis document outlining DOT 192 compliant design approaches for pipeline materials, components and proposed MAOP for design.

GMC

- ii. Designing a dedicated high pressure single line lateral including determining upstream tie in locations, MAOP and operating pressure requirements, and distribution system final line sizes and pressure regulation to serve the prison load in compliance with DOT 192 code.
- iii. Prepare project schedules, permits, engineering and procurement documents to construct the necessary pipeline(s) including horizontal directional drills and metering and regulating facilities to serve the prison.
- iv. Bid the work to qualified gas contractors.
- c. Provide construction administration services for the project. Note: The City of Monroe will provide day to day construction inspection.

Fee:

GMC proposes to complete this work scope on a time and materials basis under the attached standard rates attached with a not to exceed amount based on the total installed cost from the *Walton County Jail Complex Engineers Report* for Technical Services for Engineering, Permitting, Procurement, Construction Administration and Geotechnical as excerpted from the report and included in detail in Task Order 01 attached.

Additional services beyond this scope and budgetary levels should they be required will be handled on a time and materials basis with the existing rate structure upon approval by the City of Monroe.

Schedule:

GMC will initiate the project immediately upon written approval to proceed.

Project Management:

GMC will assign Fred Hanna, P.E. as Project Manager to work directly with the City of Monroe staff.

Please do not hesitate to give me a call with any questions. We look forward to working with the City of Monroe on this project.

Attached is our General Engineering Services Contract including Task Order 01 for the Walton County Jail Natural Gas Engineering for this project.

If this work scope meets your approval, please return an executed copy of both the Engineering Services Contract and Task Order 01 document by email to <u>fred.hanna@gmcnetwork.com</u> and we will schedule a project kick off meeting.

Sincerely, GOODWYN MILLS CAWOOD, LLC.

Fre N. Hanne

Fred Hanna Energy Practice Lead

Attachments:



Total Installed Cost Estimate

Gas System Service Lateral and Distribution Expansion

High Pressure Pipelines	\$1,862,397.92
System Regulator Station	\$60,166.67
Building meter Sets	\$47,450.00
Site Gas Distribution Pipelines	\$86,145.00
Testing, Erosion and Traffic Controls, Paving	\$168,697.50
Subtotal	\$2,224,857.09
Engineering, Permitting, Procurement (7%)	\$155,739.99
Construction Admin (3%)	\$66,745.71
Geotechnical	\$30,000
Subtotal	\$252,485.70
Total	\$2,477,342.00