

## **PIPELINE SERVICES AGREEMENT**

This Pipeline Compliance Services Agreement (hereinafter “the Agreement”), effective as of the \_\_\_\_ day of \_\_\_\_\_, 2025, (“Effective Date”), is entered into between PipeSuite, a division of Payne Management, Inc. (hereinafter “Servicer”) and The City of Vicksburg (hereinafter “Subscriber”). Servicer and Subscriber are referred to herein individually as a “Party” and collectively as the “Parties”:

### **RECITALS**

WHEREAS, Servicer is recognized as an authority on matters relating to Pipeline Compliance Services; and

WHEREAS, the Subscriber has determined that there is a need for a service to assist it in achieving and maintaining compliance with federal and state pipeline safety regulations;

NOW THEREFORE, in consideration of the premises and mutual covenants contained in the Agreement, and for good and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged and intending to be legally bound, the Parties agree as follows:

### **SPECIFIC PROVISIONS**

#### **1. Services Offered and Pricing.**

Servicer offers a Pipeline Compliance Services Package (collectively referred to herein as “Package”) which is customized to meet DOT/PHMSA regulatory compliance. The Subscriber has requested the Pipeline Compliance Package for a yearly cost of \$14,520 or a monthly cost of \$1,210.00.

2. **Services to be Rendered.**

The packages offered by the Servicer and the pricing stipulated are for the purpose of assisting the Subscriber in achieving and maintaining compliance with Federal and State pipeline safety regulations by providing the services listed on Exhibit "A" hereto, which are incorporated herein by this reference (the "Services"). Servicer agrees to provide the requested services.

3. **Payment for Services.**

Subscriber shall pay the price set forth in paragraph 1 of this Agreement for the package selected by the Subscriber. Subscriber has the option of paying the amount owed based on the monthly cost or yearly cost. If Subscriber chooses to pay the yearly cost, Subscriber shall make payment for the yearly cost when the Agreement is executed and shall pay the yearly cost on each successive anniversary date of the Effective Date of the Agreement. If Subscriber chooses to pay the monthly cost, Subscriber shall pay the first month's payment when the Agreement is signed, and pay each of the remaining payments on or by the 1<sup>st</sup> day of each following month, for a total of 36 payments.

4. **Term of Agreement.**

The "Term" of the Agreement shall commence on the Effective Date and continue for thirty-six (36) months.

5. **Default.**

Subscriber agrees that it is in default of the Agreement if Subscriber fails to pay the yearly and/or monthly cost within forty-five (45) days of when a payment is due. Subscriber agrees that Servicer may, at its option, accelerate the remaining payments due for the remaining Term of the Agreement and demand full payment of the amount owed from the Subscriber. Servicer agrees to send written notice to the Subscriber if Servicer chooses to accelerate the payments owed

under this Agreement and Subscriber shall have 15 days from the date of the notice to cure the default. Subscriber further agrees to pay Servicer interest at a rate of 18% per annum on any unpaid balance in the event of a default of the Agreement and all reasonable costs of collection including attorney's fees and expenses.

Servicer agrees that it is in default of the Agreement if it fails to provide the services requested by Subscriber from Exhibit "A". In the event Subscriber believes that Servicer is in default of the Agreement by failing to provide the requested services, Subscriber shall send written notice to Servicer by certified mail, return receipt requested, setting forth each and every reason Subscriber believes that Servicer is in default of the Agreement. Servicer shall have sixty (60) days from receipt of the notice to remedy any alleged default. In the event Servicer fails to remedy the default at the end of the 60 days, Subscriber may cancel the Agreement by written notice sent to the Servicer by certified mail, return receipt requested. Subscriber agrees to pay Servicer's time and materials expenses incurred as of the date of cancellation based on Servicer's current Standard Schedule of Fees existing at the time of cancellation.

6. **Entire Agreement.**

The Parties agree that the Agreement, including all exhibits attached hereto such as Exhibit "A" (Services) and Exhibit "B" (General Terms and Conditions), comprises the complete agreement between the Parties regarding the subject matter of the Agreement and supersedes any prior negotiations and agreements, whether written or oral. No term or provision of the Agreement may be waived, added, changed, modified or deleted, in whole or in part, without the written consent of both Parties.

7. **Governing Law and Venue.**

The Parties Agree that the Agreement is to be constructed and enforced under the laws of the State of Mississippi, and the Parties agree that any legal action filed to enforce the terms of the Agreement must be filed in a court of competent jurisdiction in Warren County, Mississippi.

PIPESUITE

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

Its: \_\_\_\_\_

Servicer's Address for Notice:  
7320 Hitt Road  
Mobile, Alabama 36695

THE CITY OF VICKSBURG

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

Its: \_\_\_\_\_

Subscriber's Address for Notice:  
Post Office Box 150  
Vicksburg, Mississippi 39181



## Exhibit "A"

## PIPELINE COMPLIANCE PACKAGE

The Pipeline Compliance Package offers pipeline regulatory compliance services for The City of Vicksburg. The package includes the following compliance services:

- Operations, Maintenance, & Emergencies (OM&E) Manual Annual Review/Revision, including Damage Prevention and Emergency Planning Sections.
- Operator Qualification (OQ) Program Plan Annual Review/Revision.
- Public Awareness Program (PAP) Plan Annual Review/Revision.
- Drug & Alcohol Program Plan Annual Review/Revision.
- One-time Distribution Integrity Management Plan (DIMP) Preparation\*.
- PipeSuite Basic (legacy) [Includes Online OQ Training, Document Library, Procedure Management] for thirty-five (35) employees.

\*Note: Price does not include the cost of *SHRIMP*, which is available through APGA.

## Exhibit "B"

### GENERAL TERMS AND CONDITIONS

#### 1. SCOPE OF WORK

**PipeSuite** shall perform the services defined in this contract and shall invoice the Client at those rates shown in the proposal, current standard fee schedule or contract agreement, as applicable. Any estimate of cost to the Client, as stated in this contract, shall not be considered as a fixed price, but only as an estimate (unless otherwise specifically stated in this contract). **PipeSuite** will provide additional services under the contract, as requested by the Client, and invoice the Client for those additional services at standard rates. The rates shown will be valid for ninety (90) days unless otherwise stated in the proposal.

#### 2. INVOICES

Payment is due upon presentation of the invoice and is past due forty-five (45) days from invoice date. Client agrees to pay a finance charge of one and one-half percent (1 and ½ %) per month, or the maximum rate allowed by law, on past due accounts.

If **PipeSuite** personnel are called or subpoenaed for depositions, examination, or court appearances in any dispute arising out of the Project, **PipeSuite** shall be reimbursed on a time and material basis in accordance with **PipeSuite's** then current, standard billing rates for such matters, including all out-of-pocket costs incurred in connection with such matters.

#### 3. STANDARD OF CARE

Service performed by **PipeSuite** under this Agreement will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions. No other warranty, express or implied, is made.

Client recognizes that subsurface conditions may vary from those encountered at the location where borings, surveys, or explorations are made by **PipeSuite** and that the data interpretations and recommendations of **PipeSuite's** personnel are based solely on the information available to them. **PipeSuite** will be responsible for those data, interpretations, and recommendations, but shall not be responsible for the interpretation by others of the information developed.

#### 4. OWNERSHIP OF DOCUMENTS

All reports, boring logs, field data, field notes, laboratory test data, calculations, plans, estimates, and other documents prepared by **PipeSuite**, as instruments of service, shall remain the property of **PipeSuite**.

Client agrees that all reports and other work furnished to the Client or his agents, which are not paid for, will be returned upon demand and will not be used by the Client for any purpose whatsoever.

**PipeSuite** will retain all pertinent records relating to the services performed for a period of five years following submission of the report, during which period the records will be made available to the Client, at all reasonable times.

All documents are for the exclusive use and benefit of the Client only. Others who use the documents do so at their own peril. **PipeSuite** consents that its information and reports may be furnished to and used by others participating in the financing and/or development of the project (and for reports involving real property transactions, other parties of the transaction), but only in the same manner and extent as if such others were the addressees and the Client. The, terms, conditions, and limitations of liability contained in the Agreement shall apply to others to whom Client furnishes such information and reports. No one else is authorized to rely, in any way, on any information or reports issued pursuant to this Agreement.

## 5. LIMITATION OF LIABILITY

The total aggregate liability of **PipeSuite** to all those names shall not exceed \$50,000, **PipeSuite's** total fee for the services rendered on this project, or, if such amount is greater, **PipeSuite's** liability shall be limited to the extent liability is allowed to be limited under state law. The owner further agrees to require of the contractor and his subcontractors an identical limitation of liability to **PipeSuite**, which liability may arise on account of **PipeSuite's** professional acts, errors, or omissions. Neither the contractor nor any of his subcontractors assumes any liability for damages to others, which may arise on account of **PipeSuite's** professional acts, errors, or omissions.

## 6. DISPUTES

In the event that a dispute should arise relating to the performance of the services to be provided under this Agreement, and should that dispute result in litigation, it is agreed that the prevailing party shall be entitled to recover all reasonable costs incurred in the defense or prosecution of the claim, including staff time, court costs, attorney's fees, and other claim-related expenses. Any lawsuit or prosecution related to services performed or rendered under this contract must be commenced in Warren County, Mississippi.

## 7. INSURANCE

**PipeSuite** represents and warrants that it and its agents, staff, and consultants employed by it is and are protected by worker's compensation insurance, to the extent required by state law, and that has such coverage under public liability and property damage insurance policies, which **PipeSuite** deems to be adequate. Certificates for all such policies of insurance shall be provided to Client upon request in writing. Within the limits and conditions of such insurance, **PipeSuite** agrees to indemnify and save Client harmless from and against any loss, damage, or liability arising from any negligent acts by **PipeSuite**, its agents, staff, and consultants employed by it. **PipeSuite** shall not be responsible for any loss, damage, or liability arising from any acts by Client, its agents, staff, and other consultants employed by Client.

## 8. TERMINATION

This Agreement may be terminated by either party upon seven (7) days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof. Such termination shall not be effective if that substantial failure has been remedied before expiration of the period specified in the written notice. In the event of termination, **PipeSuite** shall be paid for services performed to the termination notice date plus reasonable termination expenses.

In the event of termination, or suspension for more than three (3) months, prior to completion of all reports contemplated by this Agreement, **PipeSuite** may complete such analyses and records as are necessary to complete its files and may also complete a report on the services performed to the date of notice of termination or suspension. The expenses of termination or suspension shall include all direct costs of **PipeSuite** in completing such analyses, records and reports.

## 9. TERM OF AGREEMENT

The "Term" of the Agreement shall commence on the Effective Date and continue for thirty-six (36) months.

## 10. ASSIGNS

Neither the Client nor **PipeSuite** may delegate, assign, sublet or transfer his duties or interest in this Agreement without the written consent of the other party.

## 11. RIGHT TO STOP WORK

Stopping project work is an extreme action, which should be taken only by the owner after giving serious consideration to the effects of such an order. Under no circumstances will **PipeSuite** take the initiative in issuing this order. **PipeSuite** will only provide data and recommendations.

## 12. SAFETY

Should **PipeSuite** provide on-site assistance at the Client's location, Client agrees that, in accordance with the generally accepted construction practice, the contractor will be solely and completely responsible for working conditions on the jobsite, including the safety of all persons and property during the performance of the work, and for compliance with OSHA regulations. These requirements will apply continuously and will not be limited to normal working hours. Any monitoring of the contractor's procedures conducted by **PipeSuite** does not include review of the adequacy of the contractor's safety measures in, on, adjacent to, or near the construction site.

### 13. HAZARDOUS SUBSTANCES

Should **PipeSuite** provide on-site assistance at the Client's location, Client agrees to advise **PipeSuite**, prior to beginning work, of any hazardous substances on or near the site. In the event that samples obtained during our work contain substances hazardous to health, safety, or the environment, these samples remain the property of the Client. Likewise, any equipment contaminated during our services, which cannot be reasonably decontaminated, shall become the property and responsibility of the Client. Such samples and/or equipment will be delivered to the Client. Client agrees to pay transportation costs for samples and equipment and the fair market value of contaminated equipment.

### 14. WARRANTY OF ONLINE SERVICES USE

**PipeSuite** shall not under any circumstances be responsible for any direct, indirect, incidental or consequential liability resulting from the use of the information included with the use of the online programs or software, or, in the event that liability cannot be legally waived under state law, PipeSuite's liability shall be limited to the extent allowed under state law. The online software was designed to be used by the Client intended and cannot be distributed or reused for or by any other user without the expressed written consent of **PipeSuite**. The software and designs are protected by copyright law. Unauthorized reproduction or distribution of the software or online services, or any part of it, may result in severe civil or criminal penalties, and will be prosecuted to maximum extent possible under the law. Reverse engineering, decompiling, disassembling, modifying, translating, making any attempt to discover the source code of the software, or create derivative works from the software or online services is strictly prohibited.