

REGULAR MEETING
APALACHICOLA CITY COMMISSION
TUESDAY, JULY 22, 2025 – 3:00PM
74 6th STREET APALACHICOLA, FLORIDA 32320

Agenda

You are welcome to comment on any matter under consideration by the Apalachicola City Commission when recognized to do so by the Mayor. Once recognized please rise to the podium, state your name for the record and adhere to the three minutes time limit for public comment. Comments may also be sent by email to the City Manager or to Commissioners.

- I. Call to Order**
 - Invocation
 - Pledge of Allegiance
- II. Agenda Adoption**
- III. Public Comment**
- IV. New Business**
 - 1. 2025-2026 FY Budget Calendar Approval**
 - 2. Tentatively Set 2025-2026 FY Millage Rate**
- V. Unfinished Business**
 - 1. Adoption of Emergency Procurement Policy**
 - 2. Well Rehab and Maintenance Proposal**
- VI. Mayor and Commissioner Comments**
- VII. City Manager & Attorney Communications**

Adjournment

Any person who desires to appeal any decision at this meeting will need a record of the proceeding and for this purpose, may need to ensure that a verbatim record of the proceeding is made which includes testimony and evidence upon which the appeal is based. Persons with disabilities needing assistance to participate in any of these proceedings should contact the City Clerk's Office 48 hours in advance of the meeting.

**APALACHICOLA CITY COMMISSION
REQUEST FOR BOARD ACTION
Meeting Date: 7/22/2025**

SUBJECT: Approval of FY 25/26 Budget Calendar

AGENDA INFORMATION:

Agenda Location: New Business
Item Number: 1
Department: Finance
Contact: Lee Mathes, Finance Director
Presenter: Chris Holley, Lee Mathes

BRIEF SUMMARY: A budget calendar is a useful tool in keeping in compliance with the TRIM process. Approved budget calendar will be available for viewing on the City of Apalachicola website.

RECOMMENDED MOTION AND REQUESTED ACTIONS: Motion to approve FY 25/26 budget calendar

FUNDING SOURCE: N/A

ATTACHMENTS: FY 25/26 Budget Calendar

STAFF'S COMMENTS AND RECOMMENDATIONS: Approve calendar as presented.

CITY OF APALACHICOLA

2025 – 2026 BUDGET CALENDAR

July 1, 2025	Certification of Taxable Value (Form DR-420) From Property Appraiser
July 22, 2025	Tentatively Adopt Millage Rate Special Meeting – 3:00 PM
July 23, 2025	Enter Form DR-420 and Form DR-420MMP into OASYS (Including Proposed Millage Rate, Rolled-Back Rate, and Date & Time of 1 st Budget Public Hearing)
July 23 – 31, 2025	City Manager & Finance Director meet with Department Heads to discuss Budget Needs
Week of August 4, 2025	Finance Director meets with City Manager to review FY 25/26 Draft Budget
August 8, 2025	Draft Budget Must be Completed and Submitted to Commission/ Upload Draft Budget onto Website
August 12, 2025	Budget Workshop – 3:00 PM
August 19, 2025	Budget Workshop – 3:00 PM
August 24, 2025	Property Appraiser Mails Notices of Proposed Property Taxes to Property Owners
September 9, 2025	First Budget Public Hearing & Special Meeting to Tentatively Adopt Millage Rate & Budget – 6:00 PM
September 11, 2025	Submit Budget Advertisement to Apalachicola Times
September 18, 2025	Budget Ads run in Apalachicola Times
September 23, 2025	Second Budget Public Hearing & Special Meeting – Final Adoption of Millage Rate & Budget – 6:00 PM
September 24, 2025	Submit Resolution Adopting Millage Rate to Property Appraiser, Tax Collector, and Department of Revenue
September 24, 2025	Complete and Certify Final TRIM Forms in OASYS
Complete and Certify Final Taxable Value Once Received From Property Appraiser Office	
By October 15, 2025	Submit Trim Package to Department of Revenue

APALACHICOLA CITY COMMISSION
REQUEST FOR BOARD ACTION
Meeting Date: 7/22/2025

SUBJECT: Tentatively Set FY 25/26 Millage Rate

AGENDA INFORMATION:

Agenda Location: New Business
Item Number: 2
Department: Finance
Contact: Chris Holley, City Manager
Presenter: Chris Holley

BRIEF SUMMARY: July 1st starts the TRIM process for municipalities. Municipalities must adopt a tentative millage rate for the FY 25/26 budget process by August 1st. Once the tentative millage rate is set, Municipalities cannot go above the adopted tentative rate, but may lower the millage rate to what works best with the budget. For the FY 25/26 budget, it is recommended the tentative millage rate be set at 9.000.

RECOMMENDED MOTION AND REQUESTED ACTIONS: Motion to tentatively set the FY 25/26 millage rate at 9.000.

FUNDING SOURCE: N/A

ATTACHMENTS: Certification of Taxable Value, Millage Rate Information, Good Faith Estimate

STAFF'S COMMENTS AND RECOMMENDATIONS: Set tentative millage rate at 9.000



CERTIFICATION OF TAXABLE VALUE

DR-420
R. 5/12
Rule 12D-16.002
Florida Administrative Code
Effective 11/12


Year: 2025	County: Franklin
Principal Authority: City of Apalachicola	Taxing Authority: City of Apalachicola - Operating

SECTION I: COMPLETED BY PROPERTY APPRAISER

1.	Current year taxable value of real property for operating purposes	\$ 292,198,974	(1)
2.	Current year taxable value of personal property for operating purposes	\$ 8,835,846	(2)
3.	Current year taxable value of centrally assessed property for operating purposes	\$ 0	(3)
4.	Current year gross taxable value for operating purposes <i>(Line 1 plus Line 2 plus Line 3)</i>	\$ 301,034,820	(4)
5.	Current year net new taxable value (Add new construction, additions, rehabilitative improvements increasing assessed value by at least 100%, annexations, and tangible personal property value over 115% of the previous year's value. Subtract deletions.)	\$ 3,721,851	(5)
6.	Current year adjusted taxable value <i>(Line 4 minus Line 5)</i>	\$ 297,312,969	(6)
7.	Prior year FINAL gross taxable value from prior year applicable Form DR-403 series	\$ 278,045,367	(7)
8.	Does the taxing authority include tax increment financing areas? If yes, enter number of worksheets (DR-420TIF) attached. If none, enter 0	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Number 0 (8)
9.	Does the taxing authority levy a voted debt service millage or a millage voted for 2 years or less under s. 9(b), Article VII, State Constitution? If yes, enter the number of DR-420DEBT, <i>Certification of Voted Debt Millage</i> forms attached. If none, enter 0	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	Number 0 (9)
SIGN HERE	Property Appraiser Certification I certify the taxable values above are correct to the best of my knowledge.		
	Signature of Property Appraiser: Electronically Certified by Property Appraiser		Date: 6/24/2025 9:12:07 AM

SECTION II: COMPLETED BY TAXING AUTHORITY

If this portion of the form is not completed in FULL your taxing authority will be denied TRIM certification and possibly lose its millage levy privilege for the tax year. If any line is not applicable, enter -0-.			
10.	Prior year operating millage levy <i>(If prior year millage was adjusted then use adjusted millage from Form DR-422)</i>	8.3457 per \$1,000	(10)
11.	Prior year ad valorem proceeds <i>(Line 7 multiplied by Line 10, divided by 1,000)</i>	\$ 2,320,483	(11)
12.	Amount, if any, paid or applied in prior year as a consequence of an obligation measured by a dedicated increment value <i>(Sum of either Lines 6c or Line 7a for all DR-420TIF forms)</i>	\$ -0-	(12)
13.	Adjusted prior year ad valorem proceeds <i>(Line 11 minus Line 12)</i>	\$ 2,320,483	(13)
14.	Dedicated increment value, if any <i>(Sum of either Line 6b or Line 7e for all DR-420TIF forms)</i>	\$ -0-	(14)
15.	Adjusted current year taxable value <i>(Line 6 minus Line 14)</i>	\$ 297,312,969	(15)
16.	Current year rolled-back rate <i>(Line 13 divided by Line 15, multiplied by 1,000)</i>	7.8048 per \$1000	(16)
17.	Current year proposed operating millage rate	per \$1000	(17)
18.	Total taxes to be levied at proposed millage rate <i>(Line 17 multiplied by Line 4, divided by 1,000)</i>	\$	(18)

19.	TYPE of principal authority (check one)	<input type="checkbox"/> County	<input type="checkbox"/> Independent Special District	(19)
		<input checked="" type="checkbox"/> Municipality	<input type="checkbox"/> Water Management District	
20.	Applicable taxing authority (check one)	<input checked="" type="checkbox"/> Principal Authority	<input type="checkbox"/> Dependent Special District	(20)
		<input type="checkbox"/> MSTU	<input type="checkbox"/> Water Management District Basin	
21.	Is millage levied in more than one county? (check one)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	(21)
<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="background-color: #cccccc; padding: 5px;">DEPENDENT SPECIAL DISTRICTS AND MSTUs</div> <div style="text-align: center;">  </div> <div style="background-color: #cccccc; padding: 5px;">STOP HERE - SIGN AND SUBMIT</div> </div>				
22.	Enter the total adjusted prior year ad valorem proceeds of the principal authority, all dependent special districts, and MSTUs levying a millage. <i>(The sum of Line 13 from all DR-420 forms)</i>	\$ 2,320,483		(22)
23.	Current year aggregate rolled-back rate <i>(Line 22 divided by Line 15, multiplied by 1,000)</i>	7.8048 per \$1,000		(23)
24.	Current year aggregate rolled-back taxes <i>(Line 4 multiplied by Line 23, divided by 1,000)</i>	\$ 2,349,517		(24)
25.	Enter total of all operating ad valorem taxes proposed to be levied by the principal taxing authority, all dependent districts, and MSTUs, if any. <i>(The sum of Line 18 from all DR-420 forms)</i>	\$ -0-		(25)
26.	Current year proposed aggregate millage rate <i>(Line 25 divided by Line 4, multiplied by 1,000)</i>	-0- per \$1,000		(26)
27.	Current year proposed rate as a percent change of rolled-back rate <i>(Line 26 divided by Line 23, minus 1, multiplied by 100)</i>	-100.00 %		(27)
First public budget hearing		Date :	Time :	Place :
SIGN HERE	Taxing Authority Certification		I certify the millages and rates are correct to the best of my knowledge. The millages comply with the provisions of s. 200.065 and the provisions of either s. 200.071 or s. 200.081, F.S.	
	Signature of Chief Administrative Officer :			Date :
	Title :		Contact Name and Contact Title :	
	Mailing Address :		Physical Address :	
	City, State, Zip :		Phone Number :	Fax Number :

**CITY OF APALACHICOLA
MILLAGE RATE INFORMATION**

**FY 24/25 – MILLAGE RATE 8.3457 - \$2,205,823.22 COLLECTED
BUDGETED 95% - \$2,191,899.00**

FY 25/26 – GROSS TAXABLE VALUE - \$301,034,820.00

FY 25/26 MILLAGE RATE CALCULATIONS

**25/26 ROLLED BACK RATE – 7.8048 - \$2,349,516.56
BUDGET 95% - \$2,232,040.73**

**FY 24/25 MILLAGE RATE – 8.3457 - \$2,512,346.29
BUDGET 95% - \$2,386,728.97**

**OPTIONAL MILLAGE RATE – 8.7000 - \$2,619,002.90
BUDGET 95% - \$2,488,052.70**

**RECOMMENDED MILLAGE RATE – 9.0000 - \$2,709,313.38
BUDGET 95% - \$2,573,847.71**



Terry Tipton, Jr., CFA

Franklin County Property Appraiser

May 29, 2025

To: Franklin County Board of County Commissioners

Re: Good Faith Estimate - June 1, 2025

Taxing Authority: CITY OF APALACHICOLA

Dear Commissioners,

Please accept this correspondence as the Good Faith Estimate for June 1, 2025. My office is working diligently to provide you with the Preliminary Values by July 1, 2025.

Below are the final values from last year and the Good Faith Estimate (GFE) for the current year:

2024 Final - \$268,745,754

2025 GFE - \$280,000,000

If you have any questions or require additional information, please do not hesitate to contact my office.

Sincerely,

Terry Tipton Jr., CFA
Property Appraiser

**APALACHICOLA CITY COMMISSION
REQUEST FOR BOARD ACTION
Meeting Date: 7/08/2025**

SUBJECT: Adoption of Emergency Procurement and Purchase Policy

AGENDA INFORMATION:

Agenda Location: UNFINISHED BUSINESS
Item Number: 1
Department: Grant Administration
Presenter: Leslie Glaze, Grant Admin/Daniel Hartman, City Attorney

BRIEF SUMMARY:

Attached is a draft Emergency Procurement and Purchase Policy. We do not currently have provision for Emergency Procurement in the City procurement Policy 2016-02. Department of Commerce requested that we adopt this policy in order to proceed with the emergency procurement related to well rehabilitation. The Department has reviewed and approved the attached policy.

RECOMMENDED MOTION AND REQUESTED ACTIONS:

1. Motion to approve and adopt the Emergency Procurement and Purchase Policy attached.

FUNDING SOURCE: N/A

ATTACHMENTS:

City of Apalachicola Emergency Procurement and Purchase Policy

STAFF'S COMMENTS AND RECOMMENDATIONS:

Approve and Adopt

City of Apalachicola's EMERGENCY Procurement and Purchase Policy

Purpose:

This policy established procedures for the expedited procurement of goods and services necessary to respond to and recover from an emergency. The policy is needed to ensure the City of Apalachicola can act quickly and efficiently to protect the public's health, welfare, safety during emergencies while maintaining accountability and transparency. agency head determines in writing that an immediate danger to the public health, safety, or welfare or other substantial loss to the state requires emergency action.

Scope:

This policy applies to all departments and personnel involved in the procurement of goods, services, and construction needed for emergency response and relief efforts and to address immediate needs with differing procurement requirements.

Procedures:

The City Manager, or a designee, is authorized to make or authorize others to make emergency purchases without competitive bidding when there exists a threat to public health, welfare, or safety. This shall be considered to also mean that situation where the operation of a department would be seriously impaired if immediate action was not taken. The City Manager will report to the Board of Commissioners in writing or at their next meeting, no later than 10 working days after the emergency has stabilized. The city manager must also disclose all emergency expenditures at the subsequent regular meeting of the city commission for ratification.

After the City Manager or designee signs such written determination authorizing emergency purchases, the agency may proceed with the procurement of commodities or contractual services necessitated by the immediate danger, without receiving competitive sealed bids, competitive sealed proposals, or competitive sealed replies.

When an emergency occurs during non-business hours and a delay would be detrimental to City of Apalachicola, with the approval of the City Manager, the department head or designee shall initiate an emergency purchase. Purchasing shall be furnished with proper documentation on the next workday. The purchase order will then be prepared by purchasing.

If reasonable, the emergency procurement shall be made by obtaining pricing information from at least two prospective vendors, which must be retained in the contract file, unless the agency determines in writing that the time required to obtain pricing information will increase the immediate danger to the public health, safety, or welfare or other substantial loss to the state. The agency shall furnish copies of all written determinations and any other documents relating to the emergency action to the department. A copy of the written statement shall be furnished to the Chief Financial Officer authorizing payment.

Compliance:

All Emergency Procurements must comply with applicable federal, state, and local laws and regulations including ethical conduct and financial accountability. Emergency Procurement will follow Florida Statutes, Section 287.057 regarding procurement of commodities or contractual services, and Section 287.135 regarding prohibiting contracts with scrutinized companies.

Prospective Vendors:

The City of Apalachicola will keep vendors in the contract file that meet the following requirements as part of the effort to obtain quotes from more than one source when considering the urgency of the situation:

1. A minimum of one (1) minority or women's business enterprise (M/WBE) should be contacted when requesting quotes for the Emergency Purchase. Documentation of M/WBE contact will be provided to Florida Commerce for approval. For construction related Emergency Purchases relating to projects funded with CDBG-DR/MIT funding, the department head or designee shall provide all potential respondents a current copy of the applicable Sam.gov Wage Determination for utilization in preparing their quote.
2. Awards of Emergency Purchases may be made with consideration of price, warranties, special conditions, or any combination thereof. Written justification shall be provided attesting to the award methodology.
3. The city will contract with a vendor for "not to exceed" reimbursements. Cost plus a percentage of cost shall not be allowable pursuant to federal provisions under 2 CFR §200.324(d).

Sole Source Purchases:

The purchasing procedure will allow for the exemption of sole source purchases from the competitive bidding when it is clearly determined to be impractical to procure through the competitive bidding process. Speed, urgency, threat to public health and safety, and the ability of the City to continue operations are justifications for SOLE SOURCE (ex: power, water supply).

Some examples of generally accepted Sole Source guidelines are as follows:

- Proprietary Item/Service
- Parts/Equipment not interchangeable with similar parts from another manufacturer (compatibility).
- Only known item that will meet the specialized needs of the department of perform the intended functions.
- Parts/Equipment are required as part of an ongoing standardization process.

All Sole Source requests must be explained fully on the authorization letter by stating the need for the Sole Source request. The purchasing/finance department is responsible to verify sole source guidelines are followed.

Contracts awarded during an emergency will specify a clear scope of work, a reasonable duration, and with provisions to transition to competitively procured contracts as feasibly as possible.

Purchasing Exceptions:

The individual purchase of personal clothing, shelter, or supplies which are needed on an emergency basis to avoid institutionalization or placement in a more restrictive setting is an emergency for the purposes of this paragraph, and the filing with the department of such statement is not required in such circumstances. In the case of the emergency purchase of insurance, the period of coverage of such insurance may not exceed 30 days, and all such emergency purchases shall be reported to the department.

Capital Outlay Purchases:

Each budget year, the City Commission approves proposed capital outlay purchases for all departments. All items charged to a capital outlay account will be more than an amount established by the City Commissioners and have a life expectancy of more than one year.

Year End Purchases:

The purpose of this section is to establish cut off dates and procedures for submittal and processing both year-end purchase requisitions for the current fiscal year and start-up purchase requisitions for the upcoming fiscal year.

This procedure is necessary to allow for the purchase, receipt, and payment of goods and services before September 30 of each fiscal year. This will assist Finance and Accounting in the timely preparation of the annual financial statements.

The procedure applies to all departments reporting to the City Commission, and other agencies that have budgets authorized by the City Commissioners.

Schedule for Submitting Requisitions

On an annual basis, the following time schedule will be followed:

September 1st: Cutoff date for receipt of requisitions in which normal ordering time is more than 3 weeks. Purchases that cannot be received and billed prior to September 30 may result in charges being incurred in the new fiscal budget year.

October 1: Processing of all requisitions for new fiscal year begins.

Summary:

City of Apalachicola will carefully justify the decision to use sole source purchasing during a public exigency that requires immediate action. Once the threat to public welfare has subsided, the City's standard procurement policy will immediately take effect.

City Representative: Leslie Glaze

Date: 7/15/2025

City Authorizing Official: Chris Holley

Date: 7/15/2025

APALACHICOLA CITY COMMISSION
REQUEST FOR BOARD ACTION
Meeting Date: 5 /22 /25

SUBJECT: Well Rehabilitation and Maintenance Proposal

AGENDA INFORMATION:

Agenda Location: Unfinished Business
Item Number: 2
Department: Water Dept
Presenter: Josh Baxley/ Chris Holley

BRIEF SUMMARY: Each of the City's three wells has experienced the growth of sulfate reducing bacteria. This bacterial growth produces a layer of biomass (i.e. slime) that reduces the available well yield and pumping capacity over time and now requires more frequent downtime for cleaning and maintenance. Traditional rehabilitation methods, such as chemical treatments (e.g. acid washing), have proven ineffective at keeping the sulfate reducing bacteria from reforming. Despite repeated use, these approaches have resulted in only short-term improvements, with biological fouling reducing pumping capacity and requiring increased chlorine dosing within just a few months. Traditional cleaning treatments require a significant downtime to clean each well (one to two months) which reduces the City's available water supply during cleaning.

The proposed well rehabilitation process is the Aqua Freed technology by Subsurface Technologies Incorporated. The Aqua Freed process uses a combination of gaseous and liquified carbon dioxide with water to generate both chemical and physical energy that removes mineral deposits and biological buildup. Connections to the well casing will also be installed so that periodic (annual) cleaning can be performed without removing the well pump. The annual cleaning cost are estimated at \$9,760 per well plus a mobilization cost of \$9,640, but are not included within this scope.

These periodic cleanings can be performed in one or two days and therefore help maintain wells in service and maintain available water supply for the City.

Please see the attached proposal from Subsurface Technologies. The costs are as follows:

Component	Quantity	Unit	Unit Price	Total Price
Well Rehabilitation	3	EA	\$99,130.00	\$297,390.00
Aqua Gard Preventative Well Maintenance System	3	EA	\$15,620.00	\$ 46,860.00
TOTAL COSTS				\$344,250.00

Josh Baxley, PE

RECOMMENDED MOTION AND REQUESTED ACTIONS: Authorize emergency purchase from Subsurface Technologies Inc.

ATTACHMENTS: Proposal from Subsurface Technologies

STAFF'S COMMENTS AND RECOMMENDATIONS: Approve.

FUNDING SOURCE: Florida Depart. Of Commerce



Well Rehabilitation Technology
40 Stone Castle Road, Rock Tavern, NY 12575
www.subsurfacetech.com

Phone: 845-567-0695
Fax: 845-567-1035
E-mail: scatania@subsurfacetech.com

PROPOSAL

Company Name: City of Apalachicola
Address: 192 Coach Wagoner Blvd
City, State, Zip: Apalachicola, FL 32320
Attn:

Date: June 6, 2025
Phone: 850-653-9319
Cell:
E-mail:
Site: City of Apalachicola
Wells #5, #6, and #7

	<u>Well # 5</u>	<u>Well # 6</u>	<u>Well # 7</u>	<u>TOTAL</u>
Mobilization/De-Mobilization	LS	LS	LS	\$ 44,820.00
Subcontractor to perform the following: Conduct preliminary step-test, pull pump, pre treatment video survey, brushing, setup and airlift development, post treatment video survey, install pump, perform post treatment step test.	\$63,600.00	\$63,600.00	\$63,600.00	\$ 190,800.00
Aqua Freed® injection equipment & delivery of the Aqua Freed® process	\$15,200.00	\$15,200.00	\$15,200.00	\$ 45,600.00
Travel & per diem	\$ 4,890.00	\$ 4,890.00	\$ 4,890.00	\$ 14,670.00
Fuel Surcharge	\$ 500.00	\$ 500.00	\$ 500.00	\$ 1,500.00
				Total: \$ 297,390.00

ASSUMPTIONS:

- Above cost assumes all 3 wells will be completed under the same mobilization with 2 wells offline at a time
- Above cost does not include pump inspection and teardown.
- Standby Rate of \$3400/day will apply for delays outside of STI's control.

Proposed Extras- Aqua Gard® Preventive Well Maintenance System

Per Well

Subsurface Technologies highly recommends installing an Aqua Gard® Preventive Well Maintenance System to your well. Aqua Gard® allows for routine annual cleanings to the well once the system is installed.

The **BUDGETARY** cost to retrofit is: **\$ 15,620.00**

A fully executed well maintenance agreement must be received prior to installing an Aqua Gard® system.

Based on information received the **BUDGETARY** cost of each maintenance service will be: **\$ 9,760.00**

In addition, a service mobilization fee will apply: **\$ 9,460.00**

NOTE: Site access for rubber tire vehicles to be provided and maintained by owner or owners representative. All towing/dragging will be at owners expense. Standby rates will apply.

We propose to furnish material and labor -- in complete accordance with the above estimates, for the sum of **\$ 297,390.00** AS OUTLINED ABOVE, plus tax unless a current tax exempt certificate is provided. Payment to be made as follows: **1.5% 10 days Net 30**. Partial billing may apply. Any unpaid balance over 30 days from the date of completion will have a finance charge added to the unpaid balance of 1.5% per month.

All material is guaranteed to be specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specification involving extra costs will be executed only upon consulting with client and approval and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. We will maintain commercial general liability, business automobile and workers compensation insurance for the duration of this work. The owner should purchase any additional insurance he deems necessary for the protection of his interests.

STI Authorized: _____

Customer Accepted: _____

Printed Name/Title: _____

Printed Name/Title: _____

Date: _____

Date: _____

WE ARE PLEASED TO SUBMIT THE ABOVE QUOTATION FOR YOUR CONSIDERATION, SHOULD YOU PLACE AN ORDER, BE ASSURED IT WILL RECEIVE OUR PROMPT ATTENTION. THIS QUOTATION IS SUBJECTED TO THE CONDITIONS PRINTED ON REVERSE SIDE, AND IS VALID FOR 10 DAYS. THEREAFTER IT IS SUBJECTED TO CHANGE WITHOUT NOTICE.

STANDARD TERMS AND CONDITIONS

STI agrees to provide the services set forth on the front of this Agreement pursuant to the terms of this Agreement, including, but not limited to, the following Standard Terms and Conditions which constitute a part of this Agreement.

ARTICLE 1. RIGHT OF ENTRY: The Customer grants a right of periodic entry to STI, its agents, staff, consultants and contractors or subcontractors, for the purpose of performing all acts, studies, and research (including, without limitation, the obtaining of samples and the performance of tests and evaluations) pursuant to the Stimulation.

ARTICLE 2. SAMPLING AND TESTING LOCATION: Test described in STI's report or shown on sketches are based on specific information furnished by others or estimates made in the field by STI's personnel. Such dimensions, depths or elevations are approximations and are not warranted to be exact.

ARTICLE 3. DOCUMENTS: Customer will furnish or cause to be furnished such reports, data, studies, plans, specifications, documents and other information deemed necessary by STI for the proper performance of STI's services pursuant to this Agreement. STI may rely upon documents provided by the Customer in performing the services required under this Agreement.

ARTICLE 4. LIABILITY: Customer agrees to limit STI's liability to customer arising from negligent or other acts, errors, or omissions, such that STI's total aggregate liability for any cause and based upon any legal theory, including strict liability, shall not exceed the Total Charges received by STI pursuant to this Agreement.

ARTICLE 5. UNFORESEEN OCCURRENCE: If, during the performance of services, any unforeseen conditions or occurrences are encountered which, in STI's sole judgment significantly affect or may affect the services to be performed under this Agreement by STI or the risk involved in providing the stimulation, STI will have the right to terminate this Agreement and the services effective on the date specified by STI in writing.

ARTICLE 6. FORCE MAJEURE: STI is not responsible for damages or delay in performance caused by acts of God, strikes, lockouts, accidents, or other events beyond the control of STI

ARTICLE 7. NO THIRD PARTY BENEFICIARIES: This Agreement gives no rights or benefits to anyone other than the Customer and STI and this Agreement has no third-party beneficiaries.

ARTICLE 8. LEGAL ACTION: All legal actions by either party against the other arising from this Agreement, or for the failure to perform in accordance with the applicable standard of care, or any other cause of action, will be barred 1 years from the date the claimant knew or should have known of its claim, but in any event no later than 2 years from the date of substantial completion of STI's services.

ARTICLE 9. SURVIVAL: All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating the responsibility or liability between Customer and STI shall survive the completion of the services and the termination of this Agreement.

ARTICLE 10. INTEGRATION: This Agreement and the documents attached hereto and which are incorporated herein constitute the entire Agreement between the parties and cannot be changed except by a written instrument signed by all parties hereto.

ARTICLE 11. GOVERNING LAW: This Agreement shall be governed in all aspects by the laws of the State of New York