National Headquarters

12029 Regentview Ave., Downey CA 90241 Tel: 310-532-9524 • Fax: 310-532-3934

www.farwestcorrosion.com

October 24, 2018

Proposal #16772

Mr. Pete Preciado - Public Works Director City of Coalinga 155 West Durian Coalinga, CA

Subject: Remote Rectifier Monitoring & Annual CP Survey

Gentlemen,

Thank you for allowing us the opportunity to provide the City of Coalinga this proposal to provide all equipment, supervision and labor to install multiple remote rectifier monitoring units (RMU) for the thirteen (13) rectifiers providing cathodic protection for the City owned gas system. Farwest Corrosion is a manufacturer certified installer for the Elecsys WatchDogTM Scout RMU units and has experience installing over 1500 units. We use California Certified Electricians for all RMU installations.

RMU Unit Pricing

13 each Elecsys WatchDog Scout RMU

\$2,095.00 / each

- Model # SCT-14-N3-20 (AT&T) or Model #SCT-14-N1-20 (Verizon) to be determined.
- RMU pricing above reflects agreed to manufacturers' pricing but applicable sales tax and freight has not been included.
- Farwest will receive, warehouse, and track all RMU units from manufacturer and dispatch with installation personnel.
- Farwest personnel will coordinate with manufacturer for all unit start-ups after each installation.

Estimated Installation Pricing (13 RMU's)

\$12,965.00 estimate

Farwest will provide all necessary labor, tools and associated hardware to install the RMU units at the existing thirteen (13) rectifier locations on the existing poles, posts, walls, enclosures or similar and/or directly adjacent to the rectifiers as required. Ancillary installation materials include; wire, fittings, liquidite, conduit, hardware, etc.

Installation will include documenting volts, amps, and shunt value at each location. External antennae's will be installed as needed in areas with poor cellular communication. Post installation set up with manufacturer to confirm functionality and communication. Manufacturer software upgrade, as required. Online tracking of units' performance for the duration of project

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(requires access permissions to Elecsys website) for unit restarts, troubleshooting, and alarm response. All rectifiers settings/power will be left in an 'as found' state.

Installation schedule and pace will vary depending on a number of factors including: Type of unit being installed, accessibility, distance between installations, and existing configuration of rectifier.

Estimated installation pricing above reflects anticipated labor, materials, travel, as required. All work will be performed on a Time and Material basis. Based on previous installation experience, we estimate that we can install two RMU units per day, per installer on average. The estimated cost above is based on the following:

California Certified	\$149.50 / hr	60 hours	\$8,970.00
Electrician			
Subsistence	\$55.00 / day	8 days	\$440.00
Lodging (cost plus	\$75.00 / day	8 days	\$600.00
10%)			
Pick-up Trucks	\$13.50 / hour	60 hours	\$810.00
Mileage (2 vehicles)	\$0.55 / mile	400 miles	\$440.00
Ancillary Materials	\$35.00 / unit	13 unit	\$455.00
Estimated Total	\$11,715.00		

Annual Cathodic Protection Survey

\$14,563.00 / estimate

Farwest will provide a NACE certified CP2 technician, vehicle, equipment & expenses necessary to complete the following tasks after the installation and commissioning of the remote monitoring units have been completed:

- Review existing cathodic protection records.
- Measure & record the DC outputs (volts & amps) on 13 rectifiers.
- Measure & record individual anode currents at 13 junction boxes.
- Measure & record "on" and instant off" pipe-to-soil potentials at 300 locations.
- Make minor rectifier adjustments as deemed necessary.
- Submit final report with data and recommendations for any corrective measures deemed necessary.

The estimate for the annual cathodic protection survey is based on the following rates:

NACE CP2 Tech.	\$171.50 / hour	70 hours	\$12,005.00
Subsistence	\$55.00 / day	8 days	\$440.00

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Lodging (cost plus	\$75.00 / day	8 days	\$600.00
10%)			
Pick-up Truck	\$13.50 / hour	62 hours	\$837.00
Mileage	\$0.55 / mile	220 miles	\$121.00
Estimated Total		·	\$14,003.00

Please note this estimate is based on our understanding the existing thirteen (13) rectifiers are functioning. Additional time necessitated by the need for repairs or system trouble shooting will be billed at the rates above.

Terms & Conditions:

- Terms net 30 days upon credit approval or existing credit account in good standing.
- Unit prices for the RMU's do not include applicable sales tax
- Applicable sales tax and freight will be prepaid and added to invoice(s).

Thank you again for this opportunity to provide the City of Coalinga with our services. Please feel free to contact me with any questions or concerns regarding this proposal.

Regards,

Farwest Corrosion Control Company

R. Scott Smith

R. Scott Smith Western Business Development Manager NACE CP Specialist #4887