

12 June 2015

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Your Ref:	ITC Initial Proposal / Meeting on Monday, June 11, 2015	Based on Stamicarbon Technology
Our Ref:	Invite per email of Jun 3, 2015, at 5:11 PM	Rev.0

### **LONE STAR PROJECT – BORGER PLANT, BORGER, TX Request for Proposal**

Agrium is submitting the following Request for Proposal for Innovative Turnaround Controls, for all services as described but not limited to the following:

#### **Agreement Scope.**

For the jobs below examine proposed staffing, job times verses COBRA, the hours in the job plan and industry standards/expectations and provide feedback as appropriate

- 4 critical path or near critical path job s
  - o Pipe rack 11
  - o Syngas compressor
  - o CO2 strippers
  - o CO2 absorber
- MEI work
  - o 3 jobs
  - o Based on the analysis of these three jobs provide feedback as to whether ITC thinks that MEI can do the reformer work in the time they have allotted
- 2 work packages for each planner

Review enough I&E work to determine:

- If the work packages developed are appropriate for executing the work in the field
- The planned work times are proper

Provide feedback on work package content verses industry standards

Review welding processes and welder performance expectations for the work above and for welding during turnaround in general.

- Include an analysis of welding performance expectations verses turnaround industry standards for KBR and MEI

Review the schedule as prepared in Primavera verses industry standards and provide feedback as appropriate

Provide ITC's view of industry performance as related to hours of productive work achieved per:

- 10 hour shift
- 12 hour shift

Provide feedback on ITC's history or industry experience as related to using construction companies and construction workers for turnaround work. Is this typically successful as related to the productivity and work completed as would be achieved by a turnaround specialty company?



Agrium wants to understand:

- Are we planning our jobs properly per industry standards
- Do we have the proper expectations for welder performance
- Are we planning to staff the jobs properly
- Are we developing our schedule per industry standards
- What ITC believes our success will be as related to completing the turnaround in the time scheduled

ITC will provide schedule and cost for the above plus the above as part of their typical turnaround audit that is done just prior to the start of a turnaround

Prefer the audit to be the week of July 6

**Other**

The Consultant/Company will work under the general direction of:

Mr. Charlie Ross,  
Outage Director  
Tel: 360 666 3685  
Cell: 208.251.8466  
[Charles.Ross@agrium.com](mailto:Charles.Ross@agrium.com)

Lauren Cooper  
Deputy Outage Manager  
Agrium Lone Star Project  
e: [lauren.cooper@agrium.com](mailto:lauren.cooper@agrium.com)  
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c: 806-886-4982

Services are to be provided as a Consultant and not as an employee. Consultant has the right to provide services to third parties, provided there is no conflict of interest or material interference with the performance of the Services.

**Special Instructions:**

Mobilization to the Lone Star Project construction site is contingent upon ITC complying with the insurance provisions of the attached exhibit and submitting the certificate in advance. (See Attachment B)  
The intended Letter of Award and Purchase Order to be issued shall be governed by the Agrium Standard Terms and conditions duly signed by ITC.

Innovative Turnaround Controls will also provide names, title and full contact info for all personnel proposed for onsite work. All personnel will be properly badged, attend site specific safety training and conform to all safety protocol for Lone Star Project activities. (See Attachment A)



Should you have any questions please contact the undersigned.

Sincerely,

**Cliff Antonini,**  
**Supply Chain Manager | Contracts & Procurement**  
**Lone Star Project**

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9201 FM 1551

Borger, Texas - USA

Off: (806)-467-3821

Cell: (806) 886-4251

[Clifford.antonini@agrium.com](mailto:Clifford.antonini@agrium.com)

cc: Jim Frey  
Riaz Mirza  
John McGlothlin  
Charles Ross

**Please sign and return this page as acknowledgement and return within 5 business days by PDF.**

Received this date:

\_\_\_\_\_  
Name / ITC

\_\_\_\_\_  
Date



## Attachment A

- **PPE – HSE:**

A site specific safety orientation (5 hour) is required prior to the commencement of work for all workers at Site. Contractor is to coordinate such safety orientation with Company designated representative.

1. All personnel must have all required personal protective equipment (PPE) including, but not limited to: Fire Retardant Clothing (FRCs) (outermost layer – long sleeves), hard hats with Contractor logo and employee name, sealed eyewear with elastic straps (spoggles), goggles on hard hats, additional safety glasses, leather steel toe shoes/boots, hearing protection, gloves, high visibility vests along with any additional PPE for job specific work requirements and their project badge to gain entrance to the Site. (Shirts to be tucked in.)

2. Site personnel working in the construction offices will not be required to conform to Item 1, unless going outside on the construction areas.



## Attachment B

**\*\* NOT APPLICABLE IF REGISTERED IN IS NETWORK, IN GOOD STANDING WITH AS MINIMUM GRADE A**

### 1. Insurance Exhibit.

\* Note reference to KBR should be ignored; only Agrium U.S. Inc. will be acknowledge; Attached is an exhibit only for reference.

8.1 Contractor agrees to procure and maintain at all times during performance of the Work the following types of insurance: 8.1.1 Employment Insurance as required by Applicable Law, covering all persons employed by Contractor including directors and, partners, and proprietors.

8.1.2 Workers' Compensation insurance as required by Applicable Law in the jurisdictions in which the Work is being performed. This policy shall, if allowed, contain a waiver of subrogation in favor of Company and Client to the extent of Contractor's liabilities under this Agreement that are assumed by the Contractor.

8.1.3 Employer's Liability Insurance for employees domiciled in the United States, covering all persons employed by Contractor including directors and partners in the amount (unless otherwise approved by Company) of one million dollars (\$1,000,000), in a form as required in the jurisdiction in which the Work is being performed. This policy shall, if allowed, contain a waiver of subrogation in favor of Company and Client to the extent of Contractor's liabilities under this Agreement that are assumed by the Contractor.

8.1.4 Employer's Liability Insurance for employees domiciled in Canada (if any) covering all persons employed by Contractor who are not required to be covered by Workers' Compensation, and Contingent Employers Liability Insurance covering all Contractor employees where such employee is covered by Workers' Compensation of one million dollars (\$1,000,000). This policy shall contain a waiver of subrogation in favor of Company and Client to the extent of Contractor's liabilities under this Agreement that are assumed by the Contractor.

8.1.5 Commercial General Liability (CGL) on an 'Occurrence' form or a 'claims made' form, including liability assumed under contract, Broad Form Property Damage, Broad Form Products and Completed Operations, Non-Owned Automobile, Severability of Insured and Cross Liability and Sudden and Accidental Pollution Liability. This policy of insurance shall have limits in the amount of five million dollars (\$5,000,000) per occurrence, and shall include Company and Client as Additional Insured to the extent of Contractor's liabilities under this Agreement that are assumed by the Contractor. This policy shall, if allowed, contain a waiver of subrogation in favor of Company and Client to the extent of Contractor's liabilities under this Agreement that are assumed by the Contractor. This limit may be achieved through a combination of CGL and Umbrella or Excess Liability. If such Commercial General Liability Insurance is written on a Claims Made form, then the policy must be kept in full force and effect for a period of two (2) years following termination or expiry of this Agreement.

8.1.6 Automobile Liability Insurance - covering all vehicles owned or non-owned, leased or rented by Contractor in connection with the performance of this Agreement. The insurance to be provided shall include coverage for bodily injury, passenger hazard if applicable, and property



damage, in an amount of two million dollars (\$2,000,000) inclusive any one occurrence or accident, and shall include Company and Client as Additional Insured to the extent of Contractor's liabilities under this Agreement that are assumed by the Contractor. This policy shall, if allowed, contain a waiver of subrogation in favor of Company and Client to the extent of Contractor's liabilities under this Agreement that are assumed by the Contractor. Non-owned

automobile liability may be provided by the CGL or the Automobile Liability policy. This limit may be achieved through a combination of Automobile Liability and Umbrella or Excess Liability.

8.1.7 Contractor's Equipment insurance covering property, Contractor's equipment, including tools and construction machinery owned, rented or leased by and to be used for the performance of the Work, excluding all machinery, materials and supplies at the Site or in transit thereto and intended to become a part of the finished Facility, for the full replacement cost value of such property on an "all risks" basis. This policy shall allow subrogation to be waived, in favor of Company and Client to the extent of Contractor's liabilities under this Agreement that are assumed by the Contractor. Contractor's Equipment may be included in the property policy or be in a separate policy.

8.1.8 If applicable, Aircraft Liability covering owned or non-owned aircraft if such are used directly or indirectly in the performance of this Agreement and as determined by Company, including use of aviation premises, in an amount of fifty million dollars (\$50,000,000) for Aircraft Passenger Hazard, and shall include Company and Client as Additional Insured to the extent of Contractor's liabilities under this Agreement that are assumed by the Contractor. This policy shall allow subrogation to be waived, in favor of Company and Client to the extent of the liabilities assumed under this Agreement by Contractor.

8.1.9 Professional Liability Insurance (if applicable to or available for the Services, or required by Company) with an amount not less than \$1,000,000 (or an amount specified by Company), in the aggregate on a claims made basis. If such Professional Liability Insurance is written on a Claims Made form, then the policy must be kept in full force and effect for a period of two (2) years following termination or expiry of this Agreement. No more than ten (10) Days after the Effective Date, Contractor shall provide Company with a certificate of insurance evidencing the aforementioned insurance policies. All insurances must be placed with insurers who have an A.M. Best rating of A- or better, and who are licensed to do business in the location in which the Work is being performed.