

## **Copano Facility Adjustment & Reimbursement Agreement**

This Copano Facility Adjustment & Reimbursement Agreement ("Agreement") is made and entered into on \_\_\_\_\_, 20\_\_, between Dow Hydrocarbons and Resources LLC ("Dow"), Copano NGL Services (Markham) LLC, a Delaware limited liability company ("Copano"), with an office at 1001 Louisiana Street, Suite 1000, Houston, Texas 77002, and The County of Fort Bend, Texas ("Fort Bend County") whose address is 301 Jackson Street, Richmond, Texas 77469. Dow, Copano and Fort Bend County are individually referred as "Party" and collectively as "Parties."

### **Background**

- Dow owns a six inch pipeline which is leased to Copano known as Copano's KS six inch Lease Pipeline (the "Pipeline") near the Location.
- Fort Bend County wishes to make certain highway improvements as designated by Fort Bend County and approved by the Federal Highway Administration within the limits of the highway.
- Fort Bend County is proposing to expand FM 1093 from an existing 2-lane roadway to a divided 4-lane facility (2 lanes in each direction) with an underground storm sewer for public use (the "Project") within the Churchill Fulshear Survey, Abstract 29, which is near the intersection of FM 1093 and Katy Fulshear Road ("the Location").
- Based on pre-engineering work completed by Copano and paid for by Fort Bend County, Fort Bend County, Dow and Copano agree that the Project would best be facilitated and all parties would best be served by Copano extending casing of the Pipeline as described below.
- Fort Bend County has agreed to reimburse Copano for 100% of the total cost to extend the casing of the Pipeline (the "Casing Segment"), on property maintained by Fort Bend County.

With the above in mind, the Parties agree as follows:

### **Terms and Conditions**

1. **Purpose.** Copano will extend the Casing Segment of the Pipeline to accommodate the proposed Project in a manner that will be sufficient for Dow and Copano, and Fort Bend County, as depicted in the drawing attached as Exhibit A, all referred to as the "Work." Copano will perform the work on the Pipeline and will be reimbursed by Fort Bend County as set forth in this Agreement.
2. **Reimbursement Expenses.** Fort Bend County shall pay Copano for all of the actual costs and expenses incurred by Copano to perform the Work ("Reimbursement Expenses"). Such Reimbursement Expenses shall include allocable overheads, taxes, including a tax gross-up amount, and fees incurred by Copano.

3. **Estimated Amount.** Prior to Copano's commencement of the Work, Fort Bend County shall pay Copano the amount of **\$549,620.00**, which is Copano's estimate of the Reimbursement Expenses and as detailed in Exhibit "B" attached hereto. The Estimated Amount is a budgetary estimate only, and neither it nor any of the other estimated cost figures herein shall in any way constitute a limit upon the amount of the total actual cost of the Work, including overheads and taxes, incurred by Copano, for which Fort Bend County shall be liable to pay hereunder. The Estimated Amount is based on the costs of materials and labor current at the time of preparation of the estimate, and is subject to revision by and at the discretion of Copano to reflect any changes in such cost that may occur prior to the completion of the Work. The Estimated Amount makes no provision of encountering unforeseen rock, water, bad weather, or any other unforeseen contingencies in connection with the Work and such contingencies will be included and accounted for in the total actual cost of the Work, for which Fort Bend County agrees to reimburse Copano in full.
4. **Payment.** Upon full execution of this Agreement, Fort Bend County shall pay Copano the Estimated Amount. Neither Dow nor Copano shall be under any obligation to commence any activities relative to the Work until Fort Bend County has paid Copano the Estimated Amount and all authorizations and permits, if any, necessary to complete the Work have been received. Upon receipt of the Estimated Amount, Copano will make arrangements to begin the Work as soon thereafter as reasonably possible. All payments due hereunder shall be in the form either of a check made out to Copano NGL Services (Markham) LLC, with address of 1001 Louisiana Street, Suite 1000, Houston, Texas 77002.
5. **Final Accounting.** As promptly as reasonably possible, but no sooner than ninety (90) days following completion of the Work, Copano shall provide Fort Bend County an accounting for any variance between the Estimated Amount and the total Reimbursement Expenses ("Final Accounting") with sufficient evidence of costs. In the event Fort Bend County owes Copano additional payment to cover the Reimbursement Expenses, Copano will provide a final invoice to Fort Bend County within thirty (30) days after the Final Accounting. Should Fort Bend County fail to make payment of such invoice within (60) days after its receipt of the Final Accounting, Copano shall be entitled to collect from Fort Bend County the amount of said invoice together with interest at a rate equal to ten percent (10%) per annum. Interest shall accrue on unpaid amounts, including on unpaid interest, compounded monthly, beginning on the payment due date of Copano's invoice to Fort Bend County and terminating when such invoice is paid. In the event that Copano owes Fort Bend County a refund of amounts paid, Copano will refund the amount to Fort Bend County within sixty (60) days after providing the Final Accounting to Fort Bend County.
6. **Changes and Adjustments.** Fort Bend County agrees to perform the Project in accordance with the drawings for the Project as provided to Copano and in effect on the date this Agreement is executed and will not make any changes to the Project affecting the Pipeline without prior written notification to Copano. If changes to the Project are made or future changes are made to Fort Bend County's development that affect the Pipeline such that additional adjustments are necessary within Dow's currently existing right of way or otherwise affect the property interests of Dow, then Copano or Dow will make those adjustments at the expense of Fort Bend County.

7. **Reservation of Rights.** From time to time Copano, Dow or its contractor(s) may maintain, construct, operate, test, inspect, repair, remove, substitute, replace or abandoning the Pipeline. During these times, it may be necessary to excavate and expose the Pipeline. It is therefore understood, agreed, and accepted by Fort Bend County that Copano or Dow shall have the right to cut the pavement of the Project and any utilities within its right of way and to allow said cutting of any access roads or parking areas with the understanding that all costs associated with repairs to the Project and utilities, the access roads, and parking areas, as a result of any activities by Copano or Dow will be at the expense of Fort Bend County on the existing right of way limits and at the expense of Copano or Dow on any part outside of the existing right of way limits. Neither Dow nor Copano, by agreeing to the construction of the Project, does not relinquish any of its rights, titles, or interest in or to its existing right of way.
8. **Records.** Copano will keep all cost records pertaining to the Work in order to have them readily available for Fort Bend County to audit, should they desire to do so. Fort Bend County has the right to audit Copano's records during the regular office hours of Copano for a period of two years from the date the Work is completed.
9. **No Warranty.** Copano, Dow and Fort Bend County acknowledge and agree that nothing in this Agreement shall operate or be construed as a representation or guarantee that the activities of Copano shall result in the Work being successful or completed, or that such activities will be completed by any specific or anticipated date, and neither Copano nor Dow shall have any liability whatsoever to Fort Bend County for the failure to complete the Work. While recognizing this is an accommodation without financial incentive to Dow and Copano, Copano will undertake the Work in its normal course of business. The Work undertaken by Copano herein shall be provided with **no warranty, express or implied, as is, where is, with all faults, and Copano disclaims all other warranties, express or implied, with regard to its activities or any matter hereunder, including, but not limited to, any warranties of merchantability, fitness for a particular use or purpose, or conformance to models or samples of material. In no event shall Dow or Copano be liable to Fort Bend County with respect to Copano's work or for any losses, costs, liabilities, obligations, or damages arising out of or in connection with such work, whether arising in contract, tort, (including, but not limited to, negligence or strict liability) or otherwise.**
10. **Limitation of Liability.** It is specifically agreed that neither Dow nor Copano shall have no obligation whatsoever for, and Fort Bend County expressly waives, any lost profits, consequential, indirect, special, exemplary, or punitive damages, including, without limitation, delay damages with respect to the Work, or this Agreement, regardless of how caused.
11. **Hold Harmless.** By granting its consent to the Project in conjunction with the performance of the Work, it is understood that neither Dow nor Copano assumes any additional responsibility for the protection, operation, and maintenance of the Pipeline because of the Project. In consideration of such consent, Fort Bend County agrees to hold harmless Dow, Copano, and each of their officers, employees, representatives, agents, contractors, and subcontractors from and against any and all claims, demands, actions, expenses (including court costs and attorneys' fees), losses, damages, causes of action, and

liability whether with respect to the Parties or third parties, for damage to property or injury to or death of persons arising out of or in connection with the performance of either the Work or the Project, except to the extent said claims, demands, actions, expenses, losses, damages, causes of action, and liabilities are caused by the negligence or willful misconduct of Copano or its employees or contractors.

12. **Insurance.** Fort Bend County shall carry, and cause its contractors and subcontractors to carry, at its and their own expense, , insurance to cover its obligations and liabilities under this Agreement, including, but not limited to Worker's Compensation Insurance with Employer's Liability coverage, General Liability Insurance with Contractual Liability coverage, and Automobile Liability Insurance. Fort Bend County further agrees that all policies of insurance that are intended to cover any liabilities, expenses, losses, claims, costs (including attorneys' fees), suits, and causes of action incurred hereunder shall be properly endorsed to waive the insurer's rights of subrogation, under any such policies, against Dow and Copano, and name Dow and Copano as additional insureds.
13. **Term.** This Agreement shall be effective as of the Effective Date and shall remain in full force and effect thereafter until the date that the Parties' rights and obligations under Sections 3, 4, and 5 of this Agreement, including the right to payment and refund, have been fully satisfied. Copano or Dow shall have the right to terminate this Agreement in the event Fort Bend County has failed to make timely payment of the Estimated Amount in accordance with the payment provisions herein, and/or Fort Bend County causes the proposed construction described herein to be delayed, such that the Work cannot reasonably be completed within two (2) years of the date of this Agreement.
14. **Choice of Law.** This Agreement shall be construed in accordance with the laws of the State of Texas, is subject to all valid laws, rules or regulations of any governmental authority having jurisdiction.
15. **Entire Agreement.** This Agreement incorporates the entire agreement between the Parties, and may only be changed or amended by written agreement of the Parties.
16. **Successors and Assigns.** This Agreement binds and inures to the benefit of the Parties as well as their successors and assigns.
17. **Headings.** Headings are for convenience only and do not affect this Agreement's interpretation.
18. **Assignment**
  - 18.1 **General Assignment Rights.** This Agreement may not be assigned in whole or in part without the written consent of the other Parties.
  - 18.2 **Dow's Right to Assign.** Copano and Fort Bend County, however, consents, without further notice from Dow, that Dow may assign this Agreement to (i) any purchaser of the Pipeline, (ii) prior to consummation of the proposed mergers contemplated by the Agreement and Plan of Merger, dated as of December 11, 2015, between E. I. du Pont de Nemours and Company and The Dow Chemical Company (the "Mergers"), any

Affiliate of Dow, or (iii) after consummation of the Mergers, any entity that is an Affiliate of DowDuPont, Inc., including any subsidiary of DowDuPont, Inc. that is formed to conduct, or conducts, all or a portion of the line of business of DowDuPont, Inc. to which this Agreement pertains, which, for the avoidance of doubt, may ultimately be separated from DowDuPont, Inc. in connection with the publicly announced intended separation of DowDuPont, Inc. into three independent, public companies. Upon any such assignment referred to in this Section 18, (x) the rights and obligations under this Agreement will be binding upon and inure to the benefit of the purchaser, successor in interest or other assignee and (y) in the case of clause (i) above, after any such purchase and, in the case of clause (iii) above, after any business separation, neither Dow nor any of its Affiliates (to the extent such parties are not included in the sale of the such business line, in the case of clause (i), or separation of the specified business, in the case of clause (iii)), will have, and Dow and such Affiliates will be released from, all duties, obligations and liabilities to Copano and Fort Bend County under or in connection with this Agreement.

**18.3 Definition of Affiliate.** “Affiliate” means with respect to Section 18.2, any entity directly or indirectly owning, owned by, or under common ownership with, Dow. For purposes of this definition, “owning,” “owned” and “ownership” mean the possession, directly or indirectly, of an ownership interest, directly or indirectly through one or more intermediaries, of at least 50% as a result of ownership of stock or other voting securities, contractual relationship or otherwise.

The Parties have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

**Copano NGL Services (Markham) LLC**



By: Johnny McGee

Title: Vice President, Land and Right of Way



**Dow Hydrocarbons and Resources LLC**



By: Jack Broodo

Title: Vice President

**EXECUTION RECOMMENDED:**

**COUNTY**

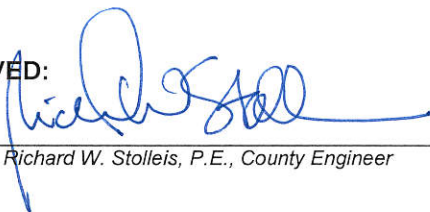
By: \_\_\_\_\_  
*Robert E. Hebert, County Judge*

Date: \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_  
*Laura Richard, County Clerk*

**APPROVED:**

By:  \_\_\_\_\_  
*Richard W. Stolleis, P.E., County Engineer*

**APPROVED AS TO LEGAL FORM:**

By: \_\_\_\_\_  
*Marcus D. Spencer, First Assistant County Attorney*

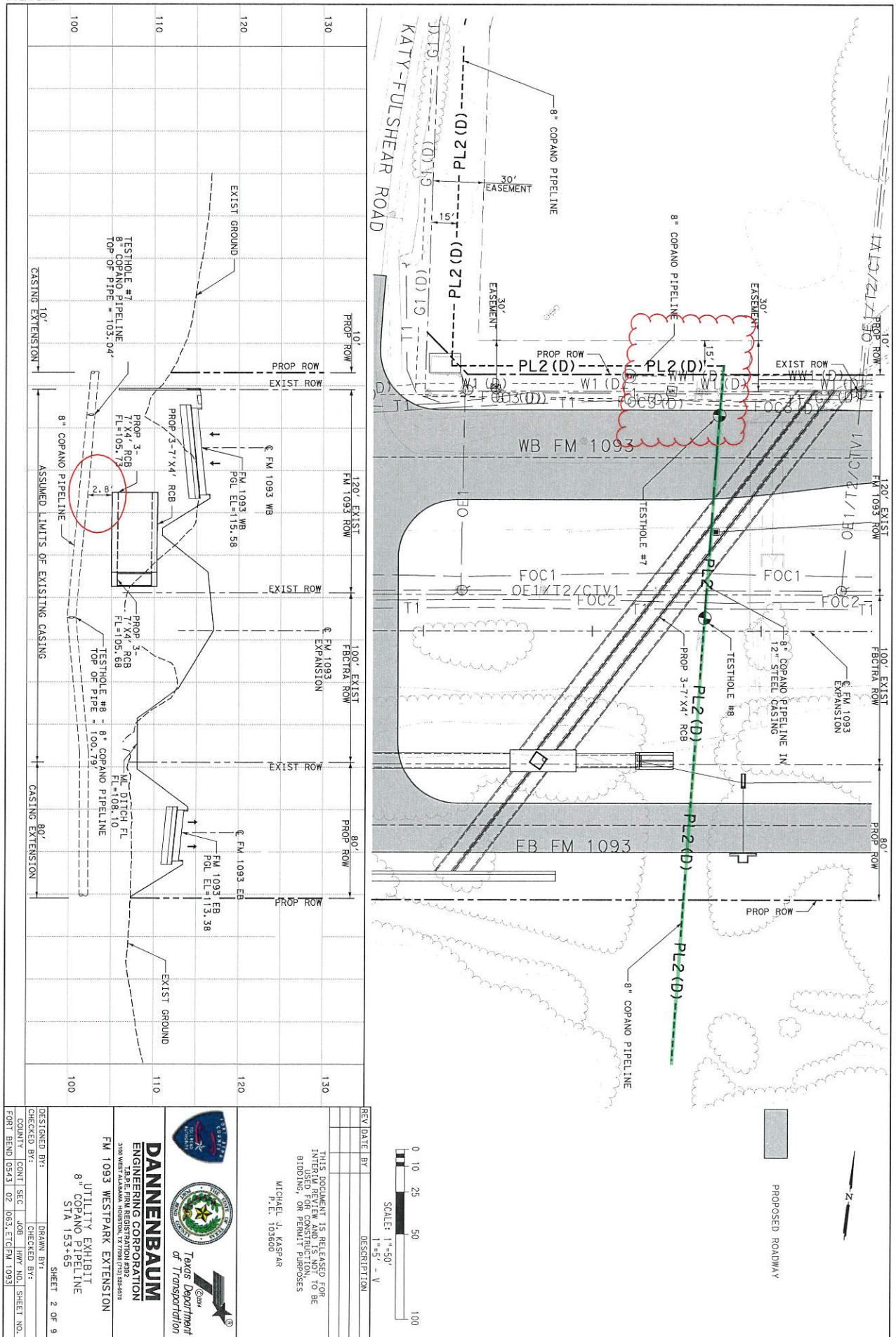
**AUDITOR'S CERTIFICATE**

I hereby certify that funds are available in the amount of \$\_\_\_\_\_ to accomplish and pay the obligation of Fort Bend County under this contract.

Robert Ed Sturdivant, County Auditor \_\_\_\_\_



FILE: G:\1204593-02 Westpark\04 DGN\UTILITIES\CROSSINGS\WP2\uxs02.dgn  
DATE: 1/24/2017



# EXHIBIT B

Summary

KINDER MORGAN								
PROJECT NAME	FM 1093 Westpark Extensions (OZ1608017)							
COMPANY NAME	Copano NGL Services LLC	COMPANY NO.	2443					
REQUESTED BY	Joseph Krametbauer	PREPARED BY	Oscar Zapata					
ESTIMATE NO.		ORIGINAL EST. DATE	10/03/16					
REVISION NO.	1	CONSTRUCTION CONTINGENCY	10%					
REVISION DATE	10/03/16	OVERHEAD	16%					
PROJECT MANAGER	Oscar Zapata	AFUDC RATE (Debt / Equity)	0.00%		0.00%			
STATE	Texas	TAX GROSS UP	15.00%					
COUNTY	Harris	PROJECT TYPE	Reimbursable					
		IN-SERVICE	Dec-17					
Csg Extensions SCOPE:	Install 6in stopple approximately 300ft south from existing FM 1093 center line (or approximately 30ft south of new protective casing end). Install flaring equipment and flare approximately 1900ft of 6in propane pipeline. Line operating at 1326psig. Remove/cutout existing 6in stopple (on north side of FM 1093, few feet from barbed wire fence) and replace with pre-hydrotested pup piece. Install approximately 10ft of 10in protective casing north of FM 1093. Install approximately 80ft of 10in protective casing south of FM 1093. KM to pvd pipeline materials, damage prevention, 3rd level welding inspector, chief inspector, & ROW. Contractor to provide; mats, TCP, asbuilts, welding, stopple & svc, flaring, ingress/egress, dirt fill, hydrovac, hydrotest, cleanup, seeding, collection & disposal of excess material, and painting. Assumption; no alternate supply is required.							
Tab 10 SCOPE:	Tab Scope 10							
Tab 11 SCOPE:	Tab Scope 11							
Tab 12 SCOPE:	Tab Scope 12							
Tab 13 SCOPE:	Tab Scope 13							
Tab 14 SCOPE:	Tab Scope 14							
Tab 15 SCOPE:	Tab Scope 15							
<b>ASSET CAPABILITIES: Vol @ ### psi</b> <div style="display: flex; justify-content: space-between;"> <div> Minimum MMCFD Maximum MMCFD </div> <div> Minimum MAOP Normal Operating Delivery Pressure </div> <div> Pressure psig 1440 psig psig psig </div> </div>								
<b>Metrics:</b> Dia (Inch) = 10.75 Length (Miles) = 0.04 Aggregate Base Lay (Per Ft) = \$800 Total Cost (Per Ft) = \$2,748 Contractor Cost (DIM) = \$209,727 Directs + Contingency Cost (DIM) = \$1,011,795								
<b>ESTIMATE SUMMARY</b>		Csg Extensions	Tab 11	Tab 12	Tab 13	Tab 14	Tab 15	TOTAL
MATERIAL (INCL SALES TAX)	\$ 12,000							\$ 12,000
COMPANY LABOR COST	\$ 7,300							\$ 7,300
PM, ENG, LAND, ENVIRO - EXPENSE	\$ 200							\$ 200
PRIMARY CONSTRUCTION CONTRACTOR	\$ 85,400							\$ 85,400
SECONDARY CONTRACTOR	\$ 169,900							\$ 169,900
PROFESSIONAL ENGINEERING	\$ -							\$ -
INSPECTION SERVICES	\$ 35,900							\$ 35,900
RADIOGRAPHY SERVICES	\$ -							\$ -
ENVIRONMENTAL CONTRACTOR	\$ -							\$ -
ELECTRICAL & INSTRUMENTATION	\$ -							\$ -
RIGHT OF WAY CONTRACTOR	\$ -							\$ -
SURVEY CONTRACTOR	\$ 5,300							\$ 5,300
OUTSIDE LEGAL SERVICES	\$ -							\$ -
ROW & DAMAGES	\$ -							\$ -
PERMIT FEES	\$ -							\$ -
GAS LOSS	\$ 96,000							\$ 96,000
<b>SUBTOTAL</b>	\$ 412,000							\$ 412,000
CONSTRUCTION CONTINGENCY	\$ -							\$ -
AFUDC	\$ -							\$ -
<b>SUBTOTAL</b>	\$ 412,000							\$ 412,000
CAPITALIZED OVERHEAD (BURDEN)	\$ 65,920							\$ 65,920
TAX GROSS-UP	\$ 71,700							\$ 71,700
ESCALATION	\$ -							\$ -
RISK INSURANCE	\$ -							\$ -
<b>ESTIMATED TOTAL COST</b>	\$ 549,620							\$ 549,620
Price/Ton: \$1,100 (If Applicable) Escalated Price/Ton: \$1,100 Contingency: 10% 10% 10% 10% 10% In-Service Date: Dec-17 Dec-17 Dec-17 Dec-17 Dec-17 Dec-17								
<b>ASSUMPTIONS</b>								
Include (Yes/No)	Assumptions							
Yes	See Assumptions Tab							
Revision	Date	Notes			Approval		Name	Date
					Project Manager			
					Project Manager Director			
					Project Controls			
					Vice President			
<b>AUTHORITY LEVELS:</b>								
< \$25,000,000 PM, PM Director, Project Controls								
> \$25,000,000 PM, PM Director, Project Controls, VP								
Escalation Rates $FV = PV(1+i)^n$ Material: 0.0% Other: 0.0%								
Estimate Form Revision 8.2 01/26/16								



# CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.  
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

## OFFICE USE ONLY CERTIFICATION OF FILING

Certificate Number:  
2017-191291

Date Filed:  
04/12/2017

Date Acknowledged:

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Copano NGL Services (Markham) LLC  
Houston, TX United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

Fort Bend County

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

23381

23381 - 4/12/17 - Utility Relocation regarding FM 1093/Westpark, Mobility Bond Project No. 748

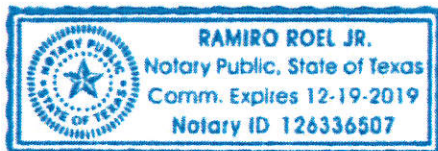
4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary

5 Check only if there is NO Interested Party.



### 6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.



AFFIX NOTARY STAMP / SEAL ABOVE

*[Handwritten Signature]*  
Signature of authorized agent of contracting business entity

Sworn to and subscribed before me, by the said Daniel G. Gredvig, this the 12th day of April, 2017, to certify which, witness my hand and seal of office.

*[Handwritten Signature]*  
Signature of officer administering oath

RAMIRO ROEL JR.  
Printed name of officer administering oath

Notary  
Title of officer administering oath