



ARCHITECTURE • INTERIOR DESIGN

## HBA ARCHITECTURE & INTERIOR DESIGN

# TOWN OF CAPE CHARLES OFFICE SPACE EXPANSION PHASE 2 MUNICIPAL CENTER CONSTRUCTION PHASE SERVICES SCOPE DOCUMENT

June 26, 2026

### PURPOSE:

Provide Construction Phase services for the Cape Charles Municipal Center based upon the Construction Documents previously provided by HBA.

### PROPOSED CONSULTANTS:

|                          |                               |
|--------------------------|-------------------------------|
| Civil Engineering:       | MSA                           |
| Structural Engineering:  | Speight, Marshall Francis, PC |
| PME Engineering:         | PACE Collaborative            |
| Geotechnical Engineering | GET Solutions (Terracon)      |

### SCOPE:

#### 1.0 SCOPING AND PROJECT MANAGEMENT

#### 9.0 CONSTRUCTION ADMINISTRATION

- During the Construction Administration phase, the Architect will provide to the Owner the services necessary for administration of the construction contract as set forth in the General Conditions of the contract.
- Construction Administration services will be provided for fourteen (14) months from the start of Construction, and will include:
  - Processing and review of submittals and RFIs.
  - Review and certification of the Contractor's monthly application for payment
  - One (1) Preconstruction Conference
  - Twenty-eight (28) visits to the site to observe construction and become generally familiar with the progress and quality of the work and to determine in general if the work is proceeding in accordance with the contract documents. At each site visit the Architect will facilitate a Construction Progress Meeting, including preparation of the agenda and distribution of meeting minutes.
  - One (1) visit to the site for Substantial Completion and preparation of a punch list.
  - One (1) visit to the site for Final Completion

- Visits to the site by the consulting engineers as follows:
  - Civil Engineer: Ten (10) site visits
  - PME Engineer: Twenty (20) site visits
  - Structural Engineer: refer to Task 10 below.
- Preparation of related reports and communications as required.
- Coordination and review of closeout documents from the Contractor

## **10.0 SPECIAL INSPECTIONS**

- Agent One and Two services will be performed, as required by the Statement and Schedule of Special Inspections. Proposal includes ten (10) site visits by the Agent 1 Inspector (Structural Engineer) and twenty-eight (28) visits by the Agent 2 Inspector (Terracon).

**HBA Architecture & Interior Design, Inc.**  
**Town of Cape Charles Office Space Expansion Phase 2**  
**Municipal Center Construction Phase Services**  
**Fee Proposal 6/26/2026**



| 1.0 - Scoping and Project Management |    |         |       |   |                   | <b>TOTAL</b>        | <b>\$6,120.00</b> |
|--------------------------------------|----|---------|-------|---|-------------------|---------------------|-------------------|
| <u>Architectural</u>                 |    |         |       |   |                   | Markup              | <b>TOTAL</b>      |
| PIC                                  | 24 | hours @ | \$255 | = | Fee<br>\$6,120.00 | Total<br>\$6,120.00 |                   |
|                                      |    |         |       |   | \$6,120.00        | \$0.00              | <b>\$6,120.00</b> |

| 9.0 Construction Administration |     |         |       |   |                    | <b>TOTAL</b> | <b>\$100,241.50</b> |
|---------------------------------|-----|---------|-------|---|--------------------|--------------|---------------------|
| <u>Architectural</u>            |     |         |       |   |                    | Markup       | <b>TOTAL</b>        |
| PIC                             | 120 | hours @ | \$255 | = | Fee<br>\$30,600.00 | \$30,600.00  |                     |
| Architectural Staff Level 3     | 300 | hours @ | \$125 | = | \$37,500.00        | \$37,500.00  |                     |
| Administration                  | 16  | hours @ | \$45  | = | \$720.00           | \$720.00     |                     |
|                                 |     |         |       |   | \$68,820.00        | \$0.00       | <b>\$68,820.00</b>  |

|                  |    |         |       |   |                   |            |                   |
|------------------|----|---------|-------|---|-------------------|------------|-------------------|
| <u>Civil</u>     |    |         |       |   |                   |            |                   |
| Project Manager  | 32 | hours @ | \$165 | = | Fee<br>\$5,280.00 | \$5,280.00 |                   |
| Project Engineer | 24 | hours @ | \$135 | = | \$3,240.00        | \$3,240.00 |                   |
|                  |    |         |       |   | \$8,520.00        | \$852.00   | <b>\$9,372.00</b> |

|                          |    |         |       |   |                   |            |                   |
|--------------------------|----|---------|-------|---|-------------------|------------|-------------------|
| <u>Structural</u>        |    |         |       |   |                   |            |                   |
| Staff Engineer           | 9  | hours @ | \$135 | = | Fee<br>\$1,215.00 | \$1,215.00 |                   |
| Prof. Construction Admin | 16 | hours @ | \$125 | = | \$2,000.00        | \$2,000.00 |                   |
| Clerical                 | 3  | hours @ | \$60  | = | \$180.00          | \$180.00   |                   |
|                          |    |         |       |   | \$3,395.00        | \$339.50   | <b>\$3,734.50</b> |

|                     |    |         |       |   |                 |             |                    |
|---------------------|----|---------|-------|---|-----------------|-------------|--------------------|
| <u>PME</u>          |    |         |       |   |                 |             |                    |
| Project Manager     | 4  | hours @ | \$225 | = | Fee<br>\$900.00 | \$900.00    |                    |
| Mech Engineer       | 74 | hours @ | \$160 | = | \$11,840.00     | \$11,840.00 |                    |
| Electrical Engineer | 10 | hours @ | \$160 | = | \$1,600.00      | \$1,600.00  |                    |
| Plumb Design        | 6  | hours @ | \$160 | = | \$960.00        | \$960.00    |                    |
| Clerical            | 18 | hours @ | \$75  | = | \$1,350.00      | \$1,350.00  |                    |
|                     |    |         |       |   | \$16,650.00     | \$1,665.00  | <b>\$18,315.00</b> |

| 10.0 Special Inspections |  |  |  |   |                    | <b>TOTAL</b> | <b>\$32,851.50</b> |
|--------------------------|--|--|--|---|--------------------|--------------|--------------------|
| <u>Structural</u>        |  |  |  |   |                    |              |                    |
| Total Fee                |  |  |  | = | Fee<br>\$4,205.00  | \$4,205.00   |                    |
|                          |  |  |  |   | \$4,205.00         | \$420.50     | <b>\$4,625.50</b>  |
| <u>Geotechnical</u>      |  |  |  |   |                    |              |                    |
| Total Fee                |  |  |  | = | Fee<br>\$25,660.00 | \$25,660.00  |                    |
|                          |  |  |  |   | \$25,660.00        | \$2,566.00   | <b>\$28,226.00</b> |

|                          |                                 |  |  |  |  |  |                     |
|--------------------------|---------------------------------|--|--|--|--|--|---------------------|
| <b>Discipline Totals</b> |                                 |  |  |  |  |  |                     |
|                          | <b>HBA/Architectural</b>        |  |  |  |  |  | <b>\$74,940.00</b>  |
|                          | <b>Geotechnical Engineering</b> |  |  |  |  |  | <b>\$28,226.00</b>  |
|                          | <b>Structural Engineering</b>   |  |  |  |  |  | <b>\$8,360.00</b>   |
|                          | <b>PME Engineering</b>          |  |  |  |  |  | <b>\$18,315.00</b>  |
|                          | <b>Civil Engineering</b>        |  |  |  |  |  | <b>\$9,372.00</b>   |
|                          | <b>Subtotal</b>                 |  |  |  |  |  | <b>\$139,213.00</b> |

|                                |   |        |   |          |   |  |                   |
|--------------------------------|---|--------|---|----------|---|--|-------------------|
| <b>Reimbursable Expenses</b>   |   |        |   |          |   |  | <b>\$2,291.25</b> |
| <b>Fees</b>                    |   |        |   |          |   |  |                   |
| Estimated Building Permit Fee  | 0 | Each @ | x | 500.00   | = |  | \$0.00            |
| Estimated Site Plan Review fee | 0 | Each @ | x | 1,500.00 | = |  | \$0.00            |

|                                                                                                                |   |        |   |       |   |  |        |
|----------------------------------------------------------------------------------------------------------------|---|--------|---|-------|---|--|--------|
| <b>Printing and Reproduction</b>                                                                               |   |        |   |       |   |  |        |
| Estimated printing of drawings<br>(if required for review submissions,<br>10 sets of drawings at \$75 per set) | 0 | Each @ | x | 75.00 | = |  | \$0.00 |

|                                                 |      |       |   |       |   |  |            |
|-------------------------------------------------|------|-------|---|-------|---|--|------------|
| <b>Local Travel Mileage</b>                     |      |       |   |       |   |  |            |
| 30 visits to project site @ 75 miles round trip | 2250 | Miles | x | 0.725 | = |  | \$1,631.25 |
|                                                 | 30   | Tolls | @ | 22.00 | = |  | \$660.00   |

Note: All reimbursable expenses to be invoiced at actual cost, with no markup, in accordance with the agreement.

|                  |  |  |  |  |  |  |                     |
|------------------|--|--|--|--|--|--|---------------------|
| <b>TOTAL FEE</b> |  |  |  |  |  |  | <b>\$141,504.25</b> |
|------------------|--|--|--|--|--|--|---------------------|



June 19, 2026

HBA Architecture & Interior Design Inc  
One Columbus Center Ste 1000  
Virginia Beach, VA 23462  
Attn: Mr. David Smith  
P: 757-490-9048  
E: davids@hbaonline.com

RE: Proposal for Construction Materials Testing Services for Special Inspections (Agent 2)  
and Site Work  
Cape Charles New Municipal Center  
Cape Charles, Virginia  
Terracon Proposal No. 1000019829

Dear Mr. Smith:

Terracon Consultants, Inc. is pleased to present this proposal for Construction Materials Testing Services for Special Inspections (Agent 2) and Site Work on the referenced project. This proposal describes our understanding of the project, discusses the scope of services to be provided and presents applicable fees with a budget estimate.

## **1.0 PROJECT INFORMATION**

The project is located on Mason Avenue and will consist of building a new, two-story municipal center. It is anticipated that the new structure will be approximately 15,000 square feet in gross area and will be of CMU and structural steel framing construction, supported on shallow foundations with a concrete slab-on-grade. New pavements and associated infrastructure will be constructed as well.

If our assumptions or understanding of the project are incorrect, we request the opportunity to review this proposal and modify it accordingly for re-submittal to your attention.

## **2.0 SCOPE OF SERVICES**

Based on our present understanding of this project, we anticipate the scope of our services to include the following:

- Shallow foundation observation
- Earthwork observation, sampling and testing

## **Proposal for Construction Materials Testing Services for Special Inspections (Agent 2) and Site Work**

Cape Charles New Municipal Center ■ Cape Charles, Virginia

June 19, 2026 ■ Terracon Proposal No. 1000019829



- Cast-in-place concrete observation, sampling and testing
- Structural masonry sampling and testing
- Structural steel observation (welds)
- Laboratory testing of fill materials, concrete, and masonry

### **Shallow Foundation Observation**

We anticipate the scope of foundation related observation to include the items listed below:

- A Terracon Professional Engineer, or designee of, will observe exposed foundation soils and will perform visual observations and hand auger borings in the base of the foundations to evaluate the bearing soils. Based on our observations, we will assess if the soils observed appear satisfactory for the design bearing pressure.

### **Earthwork Observation, Sampling and Testing**

We anticipate the scope of earthwork related observation to include the items listed below:

- Observe proofrolling of subgrades in initial fill areas. Once grading operations are underway, Terracon will perform supplemental proofroll observation and bulk sampling for laboratory gradation and Proctor analysis.
- Collect bulk samples of proposed fill, backfill and subbase material and test in our laboratory. Reports will be issued indicating the soil's gradation, maximum dry density and optimum moisture content for compaction in accordance with ASTM Standards.
- Observe fill placement for conformance with project requirements and perform moisture/density testing and document moisture/density test results during earthwork operations as well as backfilling of utilities and other excavations in structural fill areas.

### **Cast-in-Place Concrete Observation, Sampling and Testing**

We assume a contractor's representative will provide on-site storage for initial curing of cylinder samples capable of controlling temperatures within the range specified by ASTM C31. Terracon can provide climate controlled curing boxes for an added fee if there is a dedicated power source provided on-site. Terracon does not verify formwork for specific location nor verify finish grade elevations. We anticipate the scope of concrete related observation and testing to include the items listed below:

- Obtain one composite sample for each day's pour of each concrete mixture exceeding 5 cubic yards, plus one set for each additional 50 cubic yards or fraction thereof and cast sets of six (6) 4x8-inch compressive strength specimens. Additional cylinders will be made upon request at an additional cost.
- Review concrete batch delivery tickets to verify that the correct mix is used.
- Observe concrete placement to verify proper application techniques.

## Proposal for Construction Materials Testing Services for Special Inspections (Agent 2) and Site Work

Cape Charles New Municipal Center ■ Cape Charles, Virginia

June 19, 2026 ■ Terracon Proposal No. 1000019829



- Perform tests on fresh concrete for mix temperature, slump and air content\* (unit weight, when applicable) when cylinders are made.
  - \*Air content measurements (ASTM C231) will not include aggregate correction factors unless the aggregate correction factor is included in the approved concrete mix design. Terracon can perform the aggregate correction factor upon request of the client at an additional cost.
- Observe hot and/or cold weather concrete protective measures for general conformance to ACI 305 and 306.
- After initial curing, we will transport the cylinders to the laboratory for final moist curing and compressive strength testing, we propose the following ages for compressive strength testing: 2 at 7 days, and 3 at 28 days, and 1 kept as a spare.
- Concrete curing will only be verified for compressive strength samples.

### Masonry Sampling and Testing

Observations will be performed on a periodic basis unless noted otherwise. We anticipate the scope of masonry related observation to include the items listed below:

- Review proportions of site prepared mortar and grout.
- Review mortar and grout placement and perform slump tests and cast sets of eight (8) compressive strength specimens. We propose the following ages for compressive strength testing: 3 at 7 days, 3 at 28 days, and 2 spares

### Structural Steel Observation and Testing

Our proposal is based on all the members and connections to be inspected being completed and accessible during our scheduled site visits. The contractor should schedule our inspections in a sequence to assure all the members and components are inspected within our proposed number of site visits.

Observations will be performed on a periodic basis unless noted otherwise. We anticipate the scope of structural steel related observation to include the items listed below:

#### Field:

- Perform visual observation as required by applicable specifications, contract drawings.
- Visual inspection of high-strength bolt installation.
- Visual inspections of the elevated decking materials for gage, width, type and fastening. Inspect welding and side lap attachments.

After review and approval, we recommend that the scope of work described in this proposal be provided to the person(s) who will be responsible for scheduling Terracon so that they are aware of the required services for this project. Our services specifically exclude job site safety responsibility beyond those of our own employees and our services do not relieve any contractor/subcontractor from complying with project specifications.

We also recommend that a protocol for communicating observation and testing reports as well as resolving discrepancies be discussed at pre-construction meetings, typically attended by representatives of the Owner, Architect, Structural/Civil Engineer of Record, General Contractor and any subcontractors the General Contractor believes appropriate.

Our proposal does not include ladders, man lifts, scaffolds and other means necessary to access the areas to perform our inspections and tests. For us to safely and efficiently perform our scope of services, others will need to provide all necessary means to access the areas for our work. Our scope does not include shoring, temporary bracing, construction aids or monitoring of safety practices of the Contractor.

### **3.0 COORDINATION AND SCHEDULING**

Our services will be performed on an as-requested basis as scheduled by an authorized client representative. We request our services be scheduled by 4:00PM the business day prior to needing services and two working days prior to the commencement of each category of activities. All requests for periodic services should be submitted to our dispatcher, Mike Bonomo, at 757-518-1703 or mbonomo@getsolutionsinc.com between 8:00am and 4:30pm, Monday through Friday. Messages left on the scheduling line or sent to our dispatch email address outside of these hours on weekdays, weekends or holidays will be received the next business day.

### **4.0 SAFETY**



At Terracon, we all have a personal and uncompromising commitment to everyone going home safely each and every day. Incident and Injury-Free (IIF) is about care and concern for people. It is our commitment at all levels of the company where safety is held as a core value and an operational priority. Working safely is an inseparable part of working correctly, and just as important as other operational priorities, including quality, profitability and schedule. IIF is our commitment to people, valued by us for who they are and what they do. IIF is not just something we do; it's in everything we do.

### **Site Access and Safety:**

Client shall secure all necessary site related approvals, permits, licenses, and consents necessary to commence and complete the Services and will execute any necessary site access agreement. Consultant will be responsible for supervision and site safety measures for its own employees but shall not be responsible for the supervision or health and safety precautions for any third parties, including Client's contractors, subcontractors, or other parties present at the site. In addition, Consultant retains the right to stop work without penalty at any time Consultant believes it is in the best interests of Consultant's employees or subcontractors to do so in order to reduce the risk of exposure to the coronavirus. Client agrees it will respond quickly to all requests for information made by Consultant related to Consultant's pre-task planning and risk assessment processes. Client acknowledges its responsibility for notifying Consultant of any circumstances that present a risk of exposure to the coronavirus or individuals who have tested Positive for COVID-19 or are self-quarantining due to exhibiting symptoms associated with the coronavirus.

## **5.0 COMPENSATION**

Based on our experience with similar projects, we estimate the cost of our services will be on the order of **\$25,660.00**, as detailed on the attached Budget Estimate. These fees are based on the requirements of the project specifications and your itemized Special Inspections and is in accordance with the attached Terracon Budget Estimate.

The actual cost of our services will be billed on a time and expense basis and will be highly dependent on the actual construction schedule. Our project staff will bill for value added services and project oversight. Contingencies should be made for unforeseen site conditions or construction operations. If the actual construction schedule differs significantly from the quantities and durations used to develop this cost estimate, additional costs may be incurred. Any services not included in our proposed scope can be provided as requested by the client or client's representative at an addition to our estimated budget.

Any cost associated with re-testing or re-inspecting work that failed to comply with contract documents is not included in our estimated budget. Cost associated with reinspection of nonconforming work can be tracked separately and invoiced to the client for collection from the responsible party, if requested.

## **6.0 AUTHORIZATION**

You may formally enter into an agreement with us by signing the attached Agreement for Services and returning it to our office. A signed copy of the Agreement for Services must be returned to our office before the initiation of our services. It is Terracon's policy that reports will not be issued prior to receiving a fully executed agreement.

We thank you for the opportunity to offer our services and look forward to working with you on this project. If you have questions or require additional information, please contact the undersigned.

Sincerely,

**Terracon Consultants, Inc.**

A handwritten signature in black ink that reads 'joe gilbert' in a cursive, lowercase style.

Joe Gilbert  
Senior Project Manager

A handwritten signature in black ink consisting of stylized, overlapping loops.

D. Mark Scholefield, PE  
Vice President

Attachments: Budget Estimate  
Agreement for Services

**Attachment "A"- Budget Estimate**  
**Proposal for Construction Materials Testing Services for Special Inspections (Agent 2) and Site Work**  
**Cape Charles New Municipal Center**  
**Cape Charles, Virginia**  
**Terracon Proposal No: 1000019829**  
**Prepared For: HBA Architecture & Interior Design Inc**  
**June 19, 2026**

|                                                                                                                                | Quantity | Unit  | Unit Rate (\$) | Totals          |
|--------------------------------------------------------------------------------------------------------------------------------|----------|-------|----------------|-----------------|
| <b>I. Project Management</b>                                                                                                   |          |       |                |                 |
| Project Manager for Meeting/Project Setup                                                                                      | 3        | hrs   | 150.00         | 450.00          |
| <i>Subtotal Task I</i>                                                                                                         |          |       |                | <b>450.00</b>   |
| <b>II. EARTHWORK</b>                                                                                                           |          |       |                |                 |
| Laboratory Compaction Characteristics- Standard Proctor Tests                                                                  | 1        | each  | 150.00         | 150.00          |
| Moisture Content by Oven                                                                                                       | 1        | each  | 15.00          | 15.00           |
| Grain Size Analysis                                                                                                            | 1        | each  | 95.00          | 95.00           |
| Sample Pickup- Proctor (1 trip)                                                                                                | 2        | hrs   | 75.00          | 150.00          |
| Soils Tests for Compaction Testing- Includes equipment, reporting, and project management time (4 trips)                       | 4        | trips | 450.00         | 1800.00         |
| Foundation Tests for Subgrade Evaluation/Proofroll- Includes equipment, reporting, and project management time (4 trips)       | 4        | trips | 550.00         | 2200.00         |
| <i>Subtotal Task II</i>                                                                                                        |          |       |                | <b>4410.00</b>  |
| <b>III. SHALLOW FOUNDATIONS</b>                                                                                                |          |       |                |                 |
| Foundation Tests for Footing Bearing Capacity Inspection- Includes equipment, reporting, and project management time (4 trips) | 4        | trips | 550.00         | 2200.00         |
| <i>Subtotal Task III</i>                                                                                                       |          |       |                | <b>2200.00</b>  |
| <b>IV. CONCRETE</b>                                                                                                            |          |       |                |                 |
| Concrete Tests- Includes cylinder pick-up, login, strength testing, reporting, and project management time (8 trips)           | 8        | trips | 1000.00        | 8000.00         |
| <i>Subtotal Task IV</i>                                                                                                        |          |       |                | <b>8000.00</b>  |
| <b>V. MASONRY</b>                                                                                                              |          |       |                |                 |
| Masonry Tests- Includes sample pick-up, login, strength testing, reporting, and project management time (4 trips)              | 4        | trips | 1000.00        | 4000.00         |
| <i>Subtotal Task V</i>                                                                                                         |          |       |                | <b>4000.00</b>  |
| <b>VI. STRUCTURAL STEEL</b>                                                                                                    |          |       |                |                 |
| Nondestructive Tests for Weld/Bolt Inspection- Includes equipment, reporting, and project management time (3 trips)            | 3        | trips | 800.00         | 2400.00         |
| <i>Subtotal Task VI</i>                                                                                                        |          |       |                | <b>2400.00</b>  |
| <b>VII. TRIP CHARGE</b>                                                                                                        |          |       |                |                 |
| Mileage and Tolls                                                                                                              | 28       | trips | 150.00         | 4200.00         |
| <i>Subtotal Task VII</i>                                                                                                       |          |       |                | <b>4200.00</b>  |
| <i>Estimated Total For Construction Materials Testing Services</i>                                                             |          |       |                | <b>25660.00</b> |
| <i>On-site cancellations will be billed at a rate of \$200.00 per trip</i>                                                     |          |       |                |                 |
| <i>Overtime billed at 1.5x hourly rate (holidays, weekends, and 6PM-6AM)</i>                                                   |          |       |                |                 |

## AGREEMENT FOR SERVICES

This AGREEMENT is between HBA Architecture & Interior Design Inc ("Client") and Terracon Consultants, Inc. ("Consultant") for Services to be provided by Consultant for Client on the Cape Charles New Municipal Center-Cape Charles-VBG-26-Proposal project ("Project"), as described in Consultant's Proposal dated 06/19/2026 ("Proposal"), including but not limited to the Project Information section, unless the Project is otherwise described in Exhibit A to this Agreement (which section or Exhibit is incorporated into this Agreement).

1. **Scope of Services.** The scope of Consultant's services is described in the Proposal, including but not limited to the Scope of Services section ("Services"), unless Services are otherwise described in Exhibit B to this Agreement (which section or exhibit is incorporated into this Agreement). Portions of the Services may be subcontracted. Consultant's Services do not include the investigation or detection of, nor do recommendations in Consultant's reports address the presence or prevention of biological pollutants (e.g., mold, fungi, bacteria, viruses, or their byproducts) or occupant safety issues, such as vulnerability to natural disasters, terrorism, or violence. If Services include purchase of software, Client will execute a separate software license agreement. Consultant's findings, opinions, and recommendations are based solely upon data and information obtained by and furnished to Consultant at the time of the Services.
2. **Acceptance/ Termination.** Client agrees that execution of this Agreement is a material element of the consideration Consultant requires to execute the Services, and if Services are initiated by Consultant prior to execution of this Agreement as an accommodation for Client at Client's request, both parties shall consider that commencement of Services constitutes formal acceptance of all terms and conditions of this Agreement. Additional terms and conditions may be added or changed only by written amendment to this Agreement signed by both parties. In the event Client uses a purchase order or other form to administer this Agreement, the use of such form shall be for convenience purposes only and any additional or conflicting terms it contains are stricken. This Agreement shall not be assigned by either party without prior written consent of the other party. Either party may terminate this Agreement or the Services upon written notice to the other. In such case, Consultant shall be paid costs incurred and fees earned to the date of termination plus reasonable costs of closing the Project.
3. **Change Orders.** Client may request changes to the scope of Services by altering or adding to the Services to be performed. If Client so requests, Consultant will return to Client a statement (or supplemental proposal) of the change setting forth an adjustment to the Services and fees for the requested changes. Following Client's review, Client shall provide written acceptance. If Client does not follow these procedures, but instead directs, authorizes, or permits Consultant to perform changed or additional work, the Services are changed accordingly and Consultant will be paid for this work according to the fees stated or its current fee schedule. If project conditions change materially from those observed at the site or described to Consultant at the time of proposal, Consultant is entitled to a change order equitably adjusting its Services and fee.
4. **Compensation and Terms of Payment.** Client shall pay compensation for the Services performed at the fees stated in the Proposal, including but not limited to the Compensation section, unless fees are otherwise stated in Exhibit C to this Agreement (which section or Exhibit is incorporated into this Agreement). If not stated in either, fees will be according to Consultant's current fee schedule. Fee schedules are valid for the calendar year in which they are issued. Fees do not include sales tax. Client will pay applicable sales tax as required by law. Consultant may invoice Client at least monthly and payment is due upon receipt of invoice. Client shall notify Consultant in writing, at the address below, within 15 days of the date of the invoice if Client objects to any portion of the charges on the invoice, and shall promptly pay the undisputed portion. Client shall pay a finance fee of 1.5% per month, but not exceeding the maximum rate allowed by law, for all unpaid amounts 30 days or older. Client agrees to pay all collection-related costs that Consultant incurs, including attorney fees. Consultant may suspend Services for lack of timely payment. It is the responsibility of Client to determine whether federal, state, or local prevailing wage requirements apply and to notify Consultant if prevailing wages apply. If it is later determined that prevailing wages apply, and Consultant was not previously notified by Client, Client agrees to pay the prevailing wage from that point forward, as well as a retroactive payment adjustment to bring previously paid amounts in line with prevailing wages. Client also agrees to defend, indemnify, and hold harmless Consultant from any alleged violations made by any governmental agency regulating prevailing wage activity for failing to pay prevailing wages, including the payment of any fines or penalties.
5. **Third Party Reliance.** This Agreement and the Services provided are for Consultant and Client's sole benefit and exclusive use with no third party beneficiaries intended. Reliance upon the Services and any work product is limited to Client, and is not intended for third parties other than those who have executed Consultant's reliance agreement, subject to the prior approval of Consultant and Client.
6. **LIMITATION OF LIABILITY. CLIENT AND CONSULTANT HAVE EVALUATED THE RISKS AND REWARDS ASSOCIATED WITH THIS PROJECT, INCLUDING CONSULTANT'S FEE RELATIVE TO THE RISKS ASSUMED, AND AGREE TO ALLOCATE CERTAIN OF THE ASSOCIATED RISKS. TO THE FULLEST EXTENT PERMITTED BY LAW, THE TOTAL AGGREGATE LIABILITY OF CONSULTANT (AND ITS RELATED CORPORATIONS AND EMPLOYEES) TO CLIENT AND THIRD PARTIES GRANTED RELIANCE IS LIMITED TO THE GREATER OF \$50,000 OR CONSULTANT'S FEE, FOR ANY AND ALL INJURIES, DAMAGES, CLAIMS, LOSSES, OR EXPENSES (INCLUDING ATTORNEY AND EXPERT FEES) ARISING OUT OF CONSULTANT'S SERVICES OR THIS AGREEMENT. PRIOR TO ACCEPTANCE OF THIS AGREEMENT AND UPON WRITTEN REQUEST FROM CLIENT, CONSULTANT MAY NEGOTIATE A HIGHER LIMITATION FOR ADDITIONAL CONSIDERATION IN THE FORM OF A SURCHARGE TO BE ADDED TO THE AMOUNT STATED IN THE COMPENSATION SECTION OF THE PROPOSAL. THIS LIMITATION SHALL APPLY REGARDLESS OF AVAILABLE PROFESSIONAL LIABILITY INSURANCE COVERAGE, CAUSE(S), OR THE THEORY OF LIABILITY, INCLUDING NEGLIGENCE, INDEMNITY, OR OTHER RECOVERY. THIS LIMITATION SHALL NOT APPLY TO THE EXTENT THE DAMAGE IS PAID UNDER CONSULTANT'S COMMERCIAL GENERAL LIABILITY POLICY.**
7. **Indemnity/Statute of Limitations.** Consultant and Client shall indemnify and hold harmless the other and their respective employees from and against legal liability for claims, losses, damages, and expenses to the extent such claims, losses, damages, or expenses are legally determined to be caused by their negligent acts, errors, or omissions. In the event such claims, losses, damages, or expenses are legally determined to be caused by the joint or concurrent negligence of Consultant and Client, they shall be borne by each party in proportion to its own negligence under comparative fault principles. Neither party shall have a duty to defend the other party, and no duty to defend is hereby created by this indemnity provision and such duty is explicitly waived under this Agreement. Causes of action arising out of Consultant's Services or this Agreement regardless of cause(s) or the theory of liability, including negligence, indemnity or other recovery shall be deemed to have accrued and the applicable statute of limitations shall commence to run not later than the date of Consultant's substantial completion of Services on the project.
8. **Warranty.** Consultant will perform the Services in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions in the same locale. **EXCEPT FOR THE STANDARD OF CARE PREVIOUSLY STATED, CONSULTANT MAKES NO WARRANTIES OR GUARANTEES, EXPRESS OR IMPLIED, RELATING TO CONSULTANT'S SERVICES AND CONSULTANT DISCLAIMS ANY IMPLIED WARRANTIES OR WARRANTIES IMPOSED BY LAW, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**
9. **Insurance.** Consultant represents that it now carries, and will continue to carry: (i) workers' compensation insurance in accordance with the laws of the states having jurisdiction over Consultant's employees who are engaged in the Services, and employer's liability insurance (\$1,000,000); (ii) commercial general liability insurance (\$2,000,000 occ / \$4,000,000 agg); (iii) automobile liability insurance (\$2,000,000 B.I. and P.D. combined single limit); (iv) umbrella liability (\$5,000,000 occ / agg); and (v) professional liability insurance (\$1,000,000 claim / agg). Certificates of insurance will be

provided upon request. Client and Consultant shall waive subrogation against the other party on all general liability and property coverage. Client and Owner are additional insured with respect to general and auto liability.

10. **CONSEQUENTIAL DAMAGES. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR LOSS OF PROFITS OR REVENUE; LOSS OF USE OR OPPORTUNITY; LOSS OF GOOD WILL; COST OF SUBSTITUTE FACILITIES, GOODS, OR SERVICES; COST OF CAPITAL; OR FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT, PUNITIVE, OR EXEMPLARY DAMAGES.**
11. **Dispute Resolution.** Client shall not be entitled to assert a Claim against Consultant based on any theory of professional negligence unless and until Client has obtained the written opinion from a registered, independent, and reputable engineer, architect, or geologist that Consultant has violated the standard of care applicable to Consultant's performance of the Services. Client shall provide this opinion to Consultant and the parties shall endeavor to resolve the dispute within 30 days, after which Client may pursue its remedies at law. This Agreement shall be governed by and construed according to Virginia law.
12. **Subsurface Explorations.** Subsurface conditions throughout the site may vary from those depicted on logs of discrete borings, test pits, or other exploratory services. Client understands Consultant's layout of boring and test locations is approximate and that Consultant may deviate a reasonable distance from those locations. Consultant will take reasonable precautions to reduce damage to the site when performing Services; however, Client accepts that invasive services such as drilling or sampling may damage or alter the site. Site restoration is not provided unless specifically included in the Services.
13. **Testing and Observations.** Client understands that testing and observation are discrete sampling procedures, and that such procedures indicate conditions only at the depths, locations, and times the procedures were performed. Consultant will provide test results and opinions based on tests and field observations only for the work tested. Client understands that testing and observation are not continuous or exhaustive, and are conducted to reduce - not eliminate - project risk. Client shall cause all tests and inspections of the site, materials, and Services performed by Consultant to be timely and properly scheduled in order for the Services to be performed in accordance with the plans, specifications, contract documents, and Consultant's recommendations. No claims for loss or damage or injury shall be brought against Consultant by Client or any third party unless all tests and inspections have been so performed and Consultant's recommendations have been followed. Unless otherwise stated in the Proposal, Client assumes sole responsibility for determining whether the quantity and the nature of Services ordered by Client is adequate and sufficient for Client's intended purpose. Client is responsible (even if delegated to contractor) for requesting services, and notifying and scheduling Consultant so Consultant can perform these Services. Consultant is not responsible for damages caused by Services not performed due to a failure to request or schedule Consultant's Services. Consultant shall not be responsible for the quality and completeness of Client's contractor's work or their adherence to the project documents, and Consultant's performance of testing and observation services shall not relieve Client's contractor in any way from its responsibility for defects discovered in its work, or create a warranty or guarantee. Consultant will not supervise or direct the work performed by Client's contractor or its subcontractors and is not responsible for their means and methods. The extension of unit prices with quantities to establish a total estimated cost does not guarantee a maximum cost to complete the Services. The quantities, when given, are estimates based on contract documents and schedules made available at the time of the Proposal. Since schedule, performance, production, and charges are directed and/or controlled by others, any quantity extensions must be considered as estimated and not a guarantee of maximum cost.
14. **Sample Disposition, Affected Materials, and Indemnity.** Samples are consumed in testing or disposed of upon completion of the testing procedures (unless stated otherwise in the Services). Client shall furnish or cause to be furnished to Consultant all documents and information known or available to Client that relate to the identity, location, quantity, nature, or characteristic of any hazardous waste, toxic, radioactive, or contaminated materials ("Affected Materials") at or near the site, and shall immediately transmit new, updated, or revised information as it becomes available. Client agrees that Consultant is not responsible for the disposition of Affected Materials unless specifically provided in the Services, and that Client is responsible for directing such disposition. In no event shall Consultant be required to sign a hazardous waste manifest or take title to any Affected Materials. Client shall have the obligation to make all spill or release notifications to appropriate governmental agencies. The Client agrees that Consultant neither created nor contributed to the creation or existence of any Affected Materials conditions at the site and Consultant shall not be responsible for any claims, losses, or damages allegedly arising out of Consultant's performance of Services hereunder, or for any claims against Consultant as a generator, disposer, or arranger of Affected Materials under federal, state, or local law or ordinance.
15. **Ownership of Documents.** Work product, such as reports, logs, data, notes, or calculations, prepared by Consultant shall remain Consultant's property. Proprietary concepts, systems, and ideas developed during performance of the Services shall remain the sole property of Consultant. Files shall be maintained in general accordance with Consultant's document retention policies and practices.
16. **Utilities.** Unless otherwise stated in the Proposal, Client shall provide the location and/or arrange for the marking of private utilities and subterranean structures. Consultant shall take reasonable precautions to avoid damage or injury to subterranean structures or utilities. Consultant shall not be responsible for damage to subterranean structures or utilities that are not called to Consultant's attention, are not correctly marked, including by a utility locate service, or are incorrectly shown on the plans furnished to Consultant.
17. **Site Access and Safety.** Client shall secure all necessary site related approvals, permits, licenses, and consents necessary to commence and complete the Services and will execute any necessary site access agreement. Consultant will be responsible for supervision and site safety measures for its own employees, but shall not be responsible for the supervision or health and safety precautions for any third parties, including Client's contractors, subcontractors, or other parties present at the site. In addition, Consultant retains the right to stop work without penalty at any time Consultant believes it is in the best interests of Consultant's employees or subcontractors to do so in order to reduce the risk of exposure to unsafe site conditions. Client agrees it will respond quickly to all requests for information made by Consultant related to Consultant's pre-task planning and risk assessment processes.

Consultant: Terracon Consultants, Inc.

Client: HBA Architecture & Interior Design Inc

By:  Date: 6/19/2026

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

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