J·U·B ENGINEERS, INC.

J-U-B ENGINEERS, Inc.
AUTHORIZATION FOR ADDITIONAL SERVICES

Attachment 1 – Scope of Services, Basis of Fee, and Schedule

PROJECT NAME: South Tank and Water Distribution Loop
CLIENT: Town of Johnstown
J-U-B PROJECT NUMBER: 87-20-004
CLIENT PROJECT NUMBER: Click or tap here to enter text.
ATTACHMENT TO:

☐ **AGREEMENT DATED:** Click or tap to enter a date.**; or**

☒ **AUTHORIZATION FOR ADDITIONAL SERVICES #2; DATED: 11/1/2021**

The referenced Agreement for Professional Services executed between J-U-B ENGINEERS, Inc. (J-U-B) and the CLIENT is amended and supplemented to include the following provisions regarding the Scope of Services, Basis of Fee, and/or Schedule:

PART 1 - PROJECT UNDERSTANDING

J-U-B's understanding of this project's history and CLIENT's general intent and scope of the project are described as follows:

The Town of Johnstown would like independent testing assistance for the South Tank and Water Distribution Loop construction anticipated to start in the fall of 2021. Specific Construction support includes:

- Geotechnical Engineering support for construction of the water tank piers and foundation.
- Geotechnical Engineering support for construction of railroad, canal, road, and utility crossing tunnels and bores.
- Special inspection support of the water tank welds and coating.
- Special inspection support for rebar and concrete of the water tank foundation and shaft.
- On-Call inspection support for compaction of the tank site and waterline trench

PART 2 - SCOPE OF SERVICES BY J-U-B

J-U-B's Additional Services under this Agreement are limited to the following tasks. Any other items necessary to plan and implement the project, including but not limited to those specifically listed in PART 3, are the responsibility of CLIENT.

A. Task 500: Special Inspection Services

1. Subtask 001: Geotechnical Engineering Support for Water Tank Piers
    a. See attached Proposal from Lithos Engineering
2. Subtask 002: Geotechnical Engineering Support for Tunnels and Bores
    a. See attached Proposal from Lithos Engineering
3. Subtask 003: Special Inspection Support for Water Tank Welds and Coating
    a. See attached Proposal from KLM Engineering
    b. Assumptions: contractor is responsible for quality control of all welds and coating including radiographic testing of welds, paint thickness testing, conformance with manufacturer's recommendations regarding application conditions.
4. Subtask 004: Special Inspection Support for Rebar and Concrete.
    a. Provide quality assurance testing of concrete as needed.

b. Provide observation of rebar installation as needed
c. Assumptions: contractor is responsible for quality control of all concrete and rebar including testing, installation, and protection.

5. Subtask 005: On-Call inspection support for compaction of the tank site and waterline trench
    a. Provide quality assurance testing of compaction as needed.
    b. Assumptions: contractor is responsible for quality control of all concrete and rebar including testing, installation, and protection.

PART 3 - CLIENT-PROVIDED WORK AND ADDITIONAL SERVICES

A. **CLIENT-Provided Work -** CLIENT is responsible for completing, or authorizing others to complete, all tasks not specifically included above in PART 2 that may be required for the project including, but not limited to:
    1. N/A.

B. **Additional Services** - CLIENT reserves the right to add future tasks for subsequent phases or related work to the scope of services upon mutual agreement of scope, additional fees, and schedule. These future tasks, to be added by amendment at a later date as Additional Services, may include:
    1. Additional Testing Services

PART 4 - BASIS OF FEE AND SCHEDULE OF SERVICES

A. CLIENT shall pay J-U-B for the identified Services in PART 2 as follows:
    1. For Lump Sum fees:
        a. The portion of the Lump Sum amount billed for J-U-B's services will be based upon J-U-B's estimate of the percentage of the total services actually completed during the billing period.
    2. For Time and Materials fees:
        a. For all services performed on the project, Client shall pay J-U-B an amount equal to the cumulative hours charged to the Project by each class of J-U-B's personnel times J-U-B's standard billing rates.
        b. Client shall pay J-U-B for Reimbursable Expenses times a multiplier of 1.1
        c. Client shall pay J-U-B for J-U-B's Consultants' charges times a multiplier of 1.1.
    3. For Cost Plus Fixed Fees:
        a. Client shall pay J-U-B an amount equal to the cumulative hours charged to the Project by each class of J-U-B's personnel times their hourly salary rate times J-U-B's audited overhead multiplier for all services performed on the Project.
        b. Client shall pay J-U-B a lump sum fixed fee.
        c. Client shall pay J-U-B for Reimbursable Expenses times a multiplier of 1.1.
        d. Client shall pay J-U-B for J-U-B's Consultants' charges times a multiplier of 1.1.
    4. J-U-B may alter the distribution of compensation between individual tasks to be consistent with services actually rendered while not exceeding the total project amount.

B. Period of Service: If the period of service for the task identified above is extended beyond 12 months, the compensation amount for J-U-B's services may be appropriately adjusted to account for salary adjustments and extended duration of project management and administrative services.

C. CLIENT acknowledges that J-U-B will not be responsible for impacts to the schedule by actions of others over which J-U-B has no control.

D. The following table summarizes the increase in fees and anticipated schedule for the services identified in PART 2.

Task Number	Task Name	Fee Type	Additional Amount	Anticipated Schedule
500-001	Geotech-Water Tank Piers	Time and Materials (Estimated Amount Shown)	$34,500	Concurrent with Construction
500-002	Geotech-Waterline Bores/Tunnels	Time and Materials (Estimated Amount Shown)	$91,250	Concurrent with Construction
500-003	Water Tank Welds/Coatings	Time and Materials (Estimated Amount Shown)	$79,750	Concurrent with Construction
500-004	Special Inspection – Tank Concrete/Rebar	Time and Materials (Estimated Amount Shown)	$17,500	Concurrent with Construction
500-005	On-Call Compaction	Time and Materials (Estimated Amount Shown)	$11,500	Concurrent with Construction
		Total:	**$234,500**	

***NOTE on Coronavirus and Schedule**: J-U-B is committed to meeting your project schedule commitments as delineated above. As our response to the COVID-19 pandemic, J-U-B is engaging in safety procedures in help to protect clients, staff, their families, and the public. Our staff or offices may be subject to quarantine or other interruptions. Since COVID-19 impacts are beyond J-U-B's control, we are not responsible for the force majeure impacts to delivery timelines, or subsequent project delays and related claims, costs, or damages. Should circumstances related to the COVID-19 issue arise with J-U-B staff or in a J-U-B office that will impact our delivery schedule, we will notify you of the circumstances and mutually agree to a schedule adjustment.*

Exhibit(s):

- Lithos Proposal
- KLM Engineering Proposal
- Ground Engineering Proposal

For internal J-U-B use only:

PROJECT LOCATION (STATE): Colorado

TYPE OF WORK: City

R&D: No

GROUP: Water/Wastewater

PROJECT DESCRIPTION(S)**: Composite Tank, Water Pipeline**

- Water Supply/Treatment/Distribution (W03)
- None

LITHOS ENGINEERING

5205 S College Ave., Suite B
Fort Collins, CO 80525
970.373.3195
www.LithosEng.com

June 8th, 2021
Project No. 19074

J-U-B Engineers, Inc.
4745 Boardwalk Drive, Building D, Suite 200
Fort Collins, Colorado 80525

Attention: Mr. Steve James, Vice President
Mr. KC Young, EIT, Project Designer

Regarding: Proposal Addendum
Johnstown Water Tank Drilled Shaft Construction Observation
Johnstown, Colorado

Mr. James and Mr. Young,

Lithos Engineering (Lithos) is pleased to have the opportunity to provide this proposal addendum to J-U-B Engineers (J-U-B) for Water Tank Drilled Shaft Construction Observation as part of the Johnstown South Tank and WDS Loop project.

Project Understanding

The Town of Johnstown (Town) intends to construct a new 16-inch diameter waterline loop generally along Colorado Boulevard and County Road 17 in Weld County, Colorado. As part of the proposed waterline, a 1.5-million-gallon, elevated water tank founded on a drilled shaft foundation will also be constructed. The Town has selected CB&I to design and construct the water tank under a separate contract from the waterline. CB&I intends to go to construction in the summer of 2021. Lithos has provided geotechnical design for the water tank foundation and was contacted by J-U-B to provide a scope and fee for construction observation of the drilled shafts. Based on our understanding of CB&I's schedule and our experience with drilled shaft construction observation, we propose the scope of work provided in the following sections.

Proposed Scope of Services

Based on our understanding of the project, Lithos proposes the following scope of services:

Task – 1: Submittal Review and Information Requests

- Review submittals related to drilled shaft foundation design and construction.
- As needed, assist J-U-B in responding to Contractor requests for information.

Task – 2: Drilled Shaft Construction Observation

- Provide full-time construction observation during drilled shaft construction activities and two site visits during at grade foundation work to observe the connection between drilled shafts and the at grade foundation. Based on CB&I's schedule, we have assumed drilled shaft construction will be approximately 3 weeks. If drilled shaft construction takes longer than 3 weeks, additional effort may be required in excess of the presented scope and fee.

- Provide daily field reports (DFR's) to include drilled shaft construction logs during construction observation. DFR's will include a summary of all drilled shaft construction activities, site and geotechnical conditions encountered during drilled shaft construction, as-built drilled shaft materials, changes to construction plans, communications with CB&I, etc.
- Provide daily email updates to J-U-B and the Town summarizing construction activities and any issues that were noted.

Task 3 – Construction Meetings

Lithos will attend up to four meetings for the project during construction. We have assumed one of the meetings will be a pre-construction meeting and the other three meetings will be weekly drilled shaft construction update meetings. We have assumed meetings will be held onsite and have estimated one-hour meetings will be required for the project and have included time for travel and meeting preparation.

Task – 3: Closeout Memorandum

Lithos will provide a brief closeout memorandum summarizing drilled shaft construction. The memo will be submitted to J-U-B. At a minimum, the closeout memorandum will include:

- Daily field reports and drilled shaft construction logs
- Deviations from construction drawings and specifications and resolutions to those deviations
- Major drilled shaft construction changes from CB&I design drawings, if any

Fee Estimate

Based on our proposed Scope of Services outlined above, we estimate a total fee for this proposal addendum of $31,292. Lithos proposes to provide these services on a time and expense basis in accordance with the attached fee schedule and previously agreed upon terms and conditions for the project with J-U-B. Scope of work tasks other than the tasks listed herein can be provided on a time and expense basis in accordance with the attached fee schedule.

Closing

We appreciate the opportunity to submit a proposal and look forward to the opportunity to work with you on this project. For this project, Mr. Heyer will be your key contact and Project Manager. If you have any questions regarding the contents of this proposal, please contact the undersigned.

Sincerely,
Lithos Engineering

Lance Heyer, PE
Associate

Dylan Fawaz, PE
Staff Engineer

LITHOS ENGINEERING

Detailed Fee Estimate

Project - Johnstown Water Tank Drilled Shaft Observation
Project Number - 19074
Date - 06/08/21

LABOR

No.	Phase	Senior Consultant	President	Vice President	Senior Professional II	Senior Professional I	Professional II	Professional I	Staff Professional III	Staff Professional II	Staff Professional I	Administrative	Hours per Task	Labor Fees per Task
	Rate/Hr	$ 200	$ 200	$ 185	$ 180	$ 160	$ 145	$ 130	$ 110	$ 100	$ 95	$ 65		
1	Submittal Document Review		2			8		8					18	$ 2,720
2	Drilled Shaft Construction Observation		4			20		83	75				182	$ 23,040
3	Meetings		4			12							16	$ 2,720
4	Closeout Memorandum		2			2		12					16	$ 2,280
	Fee Schedule (21G)												**Total Hours**	**Total Labor**
	Labor Fees per Position	$ -	$ 2,400	$ -	$ -	$ 6,720	$ -	$ 13,390	$ 8,250	$ -	$ -	$ -	232	**$ 30,760**

SUBCONSULTANTS and DIRECT COSTS

No.	Phase	Driller	Lab Testing	Traffic Control		Fees per Task	Mileage $0.70/mi	Per Diem	Lodging	Airline	Other	Fees per Task
1	Submittal Document Review					$ -						$ -
2	Drilled Shaft Construction Observation					$ -	600					$ 420
3	Meetings					$ -	160					$ 112
4	Closeout Memorandum					$ -						$ -
	Subtotal	$ -	$ -	$ -	$ -	$ -	$ 532	$ -	$ -	$ -	$ -	$ 532
	Markup 10%	$ -	$ -	$ -	$ -	$ -		$ -	$ -	$ -	$ -	$ -
	Total	$ -	$ -	$ -	$ -		$ 532	$ -	$ -	$ -	$ -	
					Total Subconsultants	**$ -**					**Total Direct Costs**	**$ 532**

SUMMARY

No.	Phase	Labor	Subconsultants	Direct Costs	Total
1	Submittal Document Review	$ 2,720			$ 2,720
2	Drilled Shaft Construction Observation	$ 23,040		$ 420	$ 23,460
3	Meetings	$,720		$ 112	$ 2,832
4	Closeout Memorandum	$ 2,280			$ 2,280
	Markup 10%		$ -	$ -	$ -
	Total	$ 30,760	$ -	$ 532	**$ 31,292**

LITHOS ENGINEERING

LITHOS ENGINEERING

FEE SCHEDULE
2021

1. Services will be billed on the time worked by staff personnel as follows unless noted otherwise in the proposal or contract. Overtime hours will be charged a straight time rates.

Senior Consultant	$200
President	$200
Vice President	$185
Senior Professional II	$180
Senior Professional I	$160
Professional II	$145
Professional I	$130
Staff Professional III	$110
Staff Professional II	$100
Staff Professional I	$95
Administrative	$65

1. Direct non-salary expenses will be billed at Lithos Engineering's cost plus a ten (10) percent markup for the following:
    a. Reproduction and printing costs for project-related documents
    b. Transportation and subsistence costs for travel including: rental cars, truck, boats, trains, and other public carriers.
    c. Express delivers such as UPS.

2. Mileage for use of personal or company vehicles will be billed at $0.70/mile.

3. Subcontractors retained by Lithos Engineering for project-related services will be billed at our cost plus ten (10) percent.

4. Payment: Invoices will be submitted about once a month unless otherwise noted in the proposal or contract for services performed. Payment is due upon receipt of the invoice. Interest of two (2) percent per month may be added to the outstanding balance on invoices older than 30 days. In the event that Lithos Engineering must engage collection services to receive payment, Client will reimburse Lithos Engineering for all reasonable collection, attorney's, and court fees.

5. Billing rates are subject to change at any time unless otherwise noted in the proposal or contract.

LITHOS ENGINEERING

5205 S College Ave., Suite B
Fort Collins, CO 80525
970.373.3195
www.LithosEng.com

September 14th, 2021
Project No. 19074

J-U-B Engineers, Inc.
4745 Boardwalk Drive, Building D, Suite 200
Fort Collins, Colorado 80525

Attention: Mr. Steve James, PE
Vice President

Mr. KC Young, EIT
Project Designer

Regarding: Proposal Addendum – Construction Phases Services
Johnstown Waterline Tunnel Construction
Johnstown, Colorado

Mr. James and Mr. Young,

Lithos Engineering (Lithos) is pleased to have the opportunity to provide this proposal addendum to J-U-B Engineers (J-U-B) for Tunnel Construction Observation as part of the Johnstown South Tank and WDS Loop project.

Project Understanding

The Town of Johnstown (Town) intends to construct a new 16-inch diameter waterline loop generally along Colorado Boulevard and County Road 17 in Weld County, Colorado. The Town has issued a proposal request for waterline construction. The project will include one horizontal directional drill of the Little Thompson River and six tunneled crossings of various ditches, railroads, and county roads along the waterline alignment. Based on conversations with J-U-B and our experience with similar projects, we are proposing the following scope of work for tunnel construction.

Proposed Scope of Services

Based on our understanding of the project, Lithos proposes the following scope of services:

Task – 1: Submittal Review and Information Requests

- Review submittals related to tunnel construction.
- As needed, assist J-U-B in responding to Contractor requests for information.

Task – 2: Tunnel and HDD Construction Observation

- Provide part-time construction observation tunnel construction.
    - We have assumed an average of half-time observation during daily tunnel construction.
    - We have assumed full-time observation of the HDD installation.
    - We have assumed tunnel construction will be an average of 8-hours per day and 5-days per week.
    - Based on our experience with similar projects, we have assumed each tunnel or HDD installation will take an average of 3 weeks to build. If the average tunnel construction duration takes longer than 3 weeks, additional effort may be required in excess of the presented scope and fee.

- Provide daily field reports (DFR's) during construction observation. DFR's will include a summary of tunnel related construction activities, site and geotechnical conditions encountered during tunnel construction, changes to construction plans, communications with the selected tunnel construction, etc.
- Provide daily email updates to J-U-B and the Town summarizing construction activities and any issues that were noted for days when the site is visited during construction.

Task 3 – Construction Meetings

Lithos will attend up to four meetings for the project during construction. We have assumed one of the meetings will be a pre-construction meeting and the other three meetings will be weekly tunnel and HDD construction update meetings. We have assumed meetings will be held onsite and have estimated one-hour meetings will be required for the project and have included time for travel and meeting preparation.

Task – 3: Closeout Memorandum

Lithos will provide a brief closeout memorandum summarizing tunnel and HDD construction. The memo will be submitted to J-U-B. At a minimum, the closeout memorandum will include:

- Daily field reports
- Deviations from construction drawings and specifications and resolutions to those deviations

Fee Estimate

Based on our proposed Scope of Services outlined above, we estimate a total fee for this proposal addendum of $82,952. Lithos proposes to provide these services on a time and expense basis in accordance with the attached fee schedule and previously agreed upon terms and conditions for the project with J-U-B. Scope of work tasks other than the tasks listed herein can be provided on a time and expense basis in accordance with the attached fee schedule.

Closing

We appreciate the opportunity to submit a proposal and look forward to the opportunity to work with you on this project. For this project, Mr. Heyer will be your key contact and Project Manager. If you have any questions regarding the contents of this proposal, please contact the undersigned.

Sincerely,
Lithos Engineering

Lance Heyer, PE
Associate

Robin Dornfest, PG
President

LITHOS ENGINEERING

Detailed Fee Estimate

Project - Johnstown Waterline Tunnel Construction Observation
Project Number - 19074
Date - 09/14/21

LABOR

No.	Phase	Senior Consultant	President	Vice President	Senior Professional II	Senior Professional I	Professional II	Professional I	Staff Professional III	Staff Professional II	Staff Professional I	Administrative	Hours per Task	Labor Fees per Task
	Rate/Hr	$ 230	$ 215	$ 190	$ 190	$ 170	$ 155	$ 140	$ 125	$ 110	$ 95	$ 75		
1	Submittal Review		2			8			24				34	$ 4,790
2	Tunnel Construction Observation		8			40			480				528	$ 68,520
3	Meetings		4			12							16	$ 2,900
4	Closeout Memorandum		2			4			24				30	$ 4,110
5													0	$ -
6													0	$ -
7													0	$ -
8													0	$ -
9													0	$ -
10													0	$ -
	Fee Schedule (21T)												Total Hours	Total Labor
	Labor Fees per Position	$ -	$ 3,440	$ -	$ -	$ 10,880	$ -	$ -	$ 66,000	$ -	$ -	$ -	608	$ 80,320

SUBCONSULTANTS and DIRECT COSTS

No.	Phase	Driller	Lab Testing	Traffic Control		Fees per Task	Mileage $0.70/mi	Per Diem	Lodging	Airline	Other	Fees per Task
1	Submittal Review					$ -						$ -
2	Tunnel Construction Observation					$ -	3600					$ 2,520
3	Meetings					$ -	160					$ 112
4	Closeout Memorandum					$ -						$ -
5						$ -						$ -
6						$ -						$ -
7						$ -						$ -
8						$ -						$ -
9						$ -						$ -
10						$ -						$ -
	Subtotal	$ -	$ -	$ -	$ -	$ -	$ 2,632	$ -	$ -	$ -	$ -	$ 2,632
	Markup 12%	$ -	$ -	$ -	$ -	$ -		$ -	$ -	$ -	$ -	$ -
	Total	$ -	$ -	$ -	$ -		$ 2,632	$ -	$ -	$ -	$ -	
						Total Subconsultants						
						$ -						
												Total Direct Costs $ 2,632

SUMMARY

No.	Phase	Labor	Subconsultants	Direct Costs	Total
1	Submittal Review	$ 4,790			$ 4,790
2	Tunnel Construction Observation	$ 68,520		$ 2,520	$ 71,040
3	Meetings	$ 2,900		$ 112	$ 3,012
4	Closeout Memorandum	$ 4,110			$ 4,110
5					
6					
7					
8					
9					
10					
	Markup 12%		$ -	$ -	$ -
	Total	$ 80,320	$ -	$ 2,632	$ 82,952

LITHOS ENGINEERING

FEE SCHEDULE
2021

1. Services will be billed on the time worked by staff personnel as follows unless noted otherwise in the proposal or contract. Overtime hours will be charged a straight time rates.

Senior Consultant	$230
President	$215
Vice President	$190
Senior Professional II	$190
Senior Professional I	$170
Professional II	$155
Professional I	$140
Staff Professional III	$125
Staff Professional II	$110
Staff Professional I	$95
Administrative	$70

2. Direct non-salary expenses will be billed at Lithos Engineering's cost plus a twelve (12) percent markup for the following:
    a. Reproduction and printing costs for project-related documents
    b. Transportation and subsistence costs for travel including: rental cars, truck, boats, trains, and other public carriers.
    c. Express delivers such as UPS.

3. Mileage for use of personal or company vehicles will be billed at $0.70/mile.

4. Subcontractors retained by Lithos Engineering for project-related services will be billed at our cost plus 12 (twelve) percent.

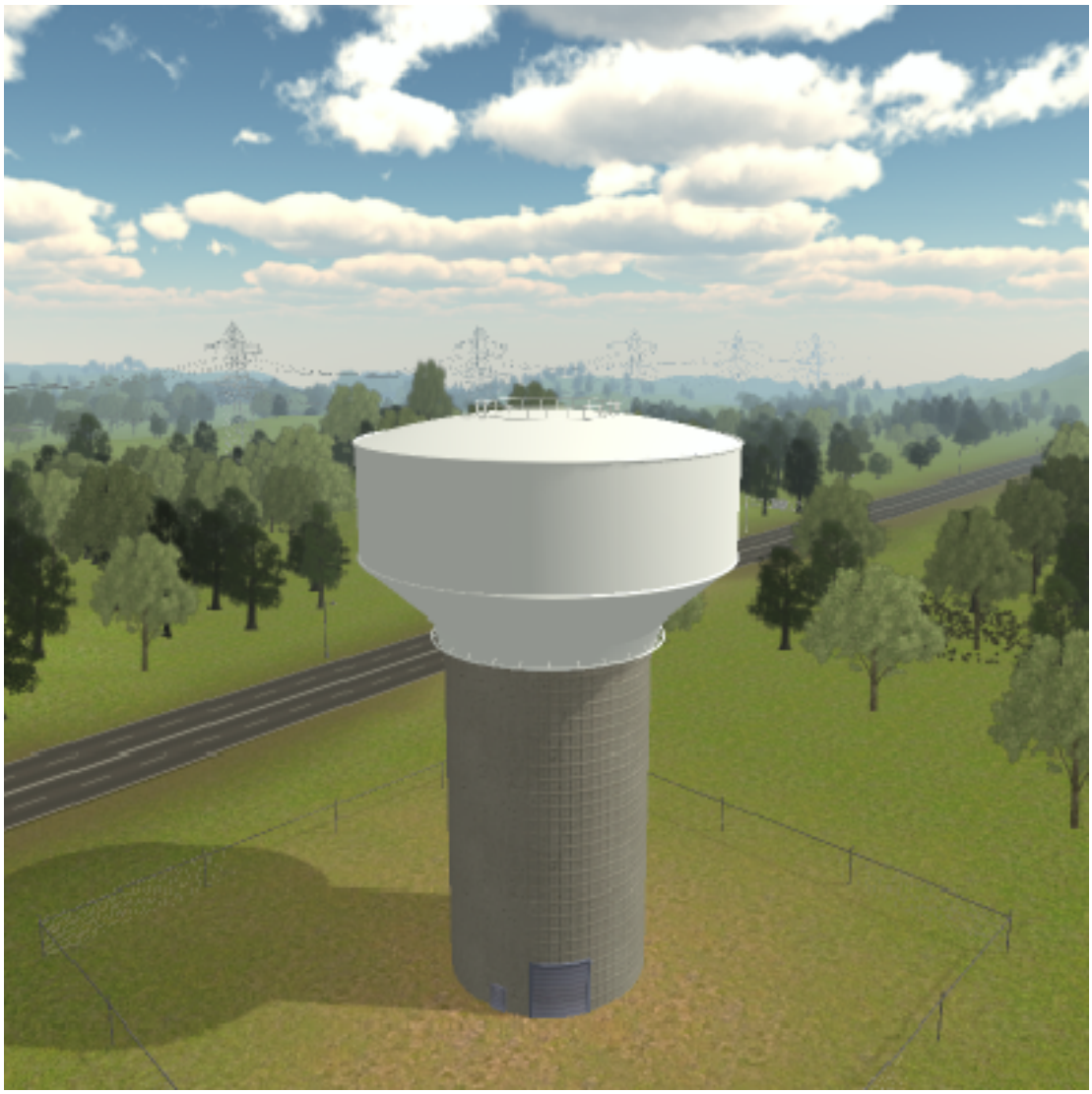
5. Payment: Invoices will be submitted about once a month unless otherwise noted in the proposal or contract for services performed. Payment is due upon receipt of the invoice. Interest of two (2) percent per month may be added to the outstanding balance on invoices older than 30 days. In the event that Lithos Engineering must engage collection services to receive payment, Client will reimburse Lithos Engineering for all reasonable collection, attorney's, and court fees.

6. Billing rates are subject to change at any time unless otherwise noted in the proposal or contract.

September 7, 2021

Proposal for New Tank Construction Services

KLM Engineering Inc.
WATER TOWER SPECIALISTS



Johnstown, Colorado 1.5MG Composite Elevated Tank

KLM Engineering, Inc. | 1976 Wooddale Drive, Suite 4 | Woodbury, MN 55125
Toll Free: 888-959-5111 | Phone: 651-773-5111 | Fax: 651-773-5222 | www.klmengineering.com

KLM ENGINEERING, INC.
1976 Wooddale Drive, Suite 4 | Woodbury, MN 55125
Phone (651) 773-5111 | Fax (651) 773-5222

September 7, 2021 **SENT EMAIL ONLY**

Mr. Steve James
Project Engineer
J-U-B Engineers, Inc.
4745 Boardwalk Drive
Building D, Suite 200
Fort Collins, Colorado 80525

Dear Mr. James,

Thank you for the opportunity to submit this proposal to provide submittal review and inspection services during the construction of the new 1.5MG CET, for the City of Johnstown, Colorado.

KLM has a staff with the most credentials associated with AWS welding and NACE coating inspections of water storage tanks in the five-state area. When it comes to quality inspections on water towers, KLM sets the standard that other companies try to duplicate. Our dedication to quality inspections can be seen nationally as our projects are represented each year in Tnemec's Tank of the Year calendar contest.

Asbury, Iowa

West Fargo, North Dakota

Farmington, Minnesota

Our inspections are performed by a professional staff with current and proper credentials. Our inspectors, who work directly under our Structural Engineer and Project Supervisor, are certified as both NACE and AWS inspectors. Each employee takes ownership of their project. Our professional staff has a combined 150 years of experience and have successfully completed over 500 rehabilitations and new construction of water tanks of various sizes. The KLM staff is fluent in the current codes and standards for new and reconditioned water tower projects.

KLM inspectors accept or reject the workmanship of the day. The main reason owners hire a professional consultant is to protect the owner's investment. The average tank without a professional inspection usually needs to be repaired after 15 years, compared to KLM projects which are lasting 22 or more years.

No firm receives respect from tank contractors and subcontractors like KLM. Our role is to provide quality assurance and enforce the specification. KLM is very thorough with our documentation of what and how the work is being performed each day. KLM's reputation of quality is second to none. We stand behind every project we work on.

KLM would like to assist you with our expertise on quality control, which will make this a successful project for many years to come. By selecting KLM, you can be assured that the project will be completed to your satisfaction.

We look forward to working with you.

Sincerely,

KLM ENGINEERING, INC.
Tom Quammen
West Central Regional Manager
Located in: Prairie Village, KS
Cell: 913-291-9076
Fax: 651-773-5222
Email: tquammen@klmengineering.com

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DISCLAIMER:

The information in this proposal is confidential, may be legally privileged, and is intended for the sole use of the City Johnstown, Colorado. Access to this proposal by another company is not permitted. If you are not the intended recipient, any disclosure, copying, distribution or any action taken or committed in reliance on it is prohibited.

Proposal for New Tank Construction 1.5MG CET for the City of Johnstown, Colorado

Project Understanding

KLM Engineering will provide construction services for J-U-B Engineers, Inc., Ft. Collins, Colorado on the City of Johnstown's new 1.5 MG CET, 2021/22. These services include: field weld inspection and field NACE coatings inspection. KLM will provide project management during these services, submittal, and shop drawing review plus, deliverables through a ShareFile® on-line program for all stakeholders.

Potential Benefits to the City of Johnstown

- Engineering review will be performed to check that the contractor has submitted complete construction drawings, certifications of welder qualifications and steel and coatings material. KLM will also look at the drawings for future potential problems with OSHA and future maintenance issues.
- Part-time inspection by KLM Certified Welding Inspectors during the construction phase and full-time inspection by a NACE Coating Inspector during the field coating phase, assures that the work performed by the contractor is in conformance with the specifications and will realize its intended operating life. KLM inspectors monitor workmanship during all phases of work and approve the contractor's work. Utilizing this process, maintenance costs will be reduced by the decrease in the number of reconditioning cycles over the life of the tank.
- Today's protective coating systems are designed to last 20 plus years with only minor maintenance. Tight project specifications and full-time inspection gives the coating systems the opportunity to realize their intended service life.

Engineering Submittal Review

The construction submittals from the tank fabricator will be reviewed for conformance to the specifications of OSHA, AWWA D100-11 and general construction practices. The coatings material submitted will be reviewed for conformance to the specifications of AWWA. KLM will respond in writing regarding the acceptance of the submittals.

Shop Sub-Assembly Welding and Coating Inspection

This component can be revisited at Owner or Engineers request.

Intermittent Construction Inspection

The primary purpose of this type of inspection is to ensure that any fabrication defects that could adversely affect the life of the coating system such as, fit ups, erection scab marks, weld spatter, or rough welds are removed prior to coating application. The KLM inspector will also monitor construction for conformance to the AWWA D100-11 Standard, AWS D1.1, and the project specifications.

To monitor tank construction effectively, an inspector will be required to make one trip per week to the project site. The inspector assigned to this project will be an AWS Certified Welding Inspector. All our inspectors have extensive practical experience and knowledge of water storage tank erection per AWWA D100-11 Standards. The cost includes travel, labor, subsistence, and the attendance of a qualified and assigned inspector at the preconstruction conference at the project location. This proposal does not include inspection of the foundation or the concrete pedestal.

At a minimum, the field construction inspections will include the following:

- A preconstruction meeting with the client and contractor to clearly define the role of the inspector and to discuss the intent of the specifications.
- Monitoring and approval of the tower construction for conformance to the specifications.
- Recording the contractor's progress for adherence to the construction schedule.
- Submittal of daily and weekly inspection reports.
- Monitor punch list items and subsequent corrective action by the contractor.
- Final inspection, substantial completion, and project acceptance.

Intermittent Construction Inspection Fees

KLM's inspection fees are based on estimated project duration of six (6) weeks for the erection phase during a 2021-22 construction schedule. With an estimated schedule of six (6) weeks for the erection and an anticipated one trip to the project site per week. KLM construction inspection services will be charged on a time and material basis at a rate of $130.00 per hour for an AWS Certified welding inspector. KLM estimates the costs for the construction inspection to be $12,735.00. KLM will attend one preconstruction meeting at the site with the Foreman. Additional meetings or inspection requested by the owner will be charged according to our fee schedule.

Construction Services

Construction Administration

The project manager and project supervisor work together on managing the project. The project supervisor does the review of the submittals from the contractor. The supervisor communicates with the inspector daily. The supervisor will enforce the project specifications, as necessary. The supervisor is the main contact between the contractor representative and the Owner. The manager does the final review of the submittals and pay requests.

Construction management will include:

- Send notices for, attend, and facilitate preconstruction meeting.
- Periodically perform on-site review of project's work status and report to the city.
- Coordinate progress meetings, as necessary.
- Review meeting minutes.
- Scheduling of inspections.
- Prepare monthly payment request forms.
- Processing change orders.
- Project close out administration.
- Establishes warranty date.
- Review of inspector's daily documentation on a weekly basis.
- Review of the contractor's submittals:
    1. Drawing reviews
    2. Welder Certifications
    3. Welder Qualifications
    4. Welding Procedures
    5. Coating Materials Submittal
    6. Spent material collection and disposal
    7. Lettering and logo

Field Coating Inspection

The frequency of inspection is more critical during field coating than during construction. We propose to provide a KLM inspector on-site full-time. This will ensure that the contractor's equipment and procedures are proper and efficient, that all surface preparation, both interior and exterior, has been inspected and approved prior to coating, and that all coating is mixed and applied properly. The inspector assigned to this project will be a NACE Coating Inspector. All our inspectors have extensive practical experience and knowledge of water storage tank painting. They are experienced sandblasters, painters, climbers, riggers, and coating inspectors, which enables them to perform inspections alongside the contractor to ensure conformance to the project specifications.

At a minimum, the field inspections will include the following:

- A preconstruction meeting with the client and contractor to clearly define the role of the engineer and inspector and to discuss the intent of the specifications.
- Inspection of the abrasive blasting media and equipment for conformance to the specifications and to prevent contamination of surfaces during surface preparation with moisture and oil and/or other contaminants.
- Monitoring the surface preparation and painting for conformance to the specifications and environmental regulations.
- Monitoring the contractor's mixing and application of the coatings for conformance to the specifications and the coating manufacturer's recommendations.
- Approving surface preparation samples.
- Recording the contractor's progress for adherence to the construction schedule.
- Submittal of daily and weekly inspection reports.
- Prepare punch lists.
- Monitor punch list items and subsequent corrective action by the contractor.
- Final inspection, substantial completion, and project acceptance.

Field Coating Inspection Fees

KLM's inspection fees are based on an estimated project duration of eight (8) weeks, a 2021/22 construction and coating schedule, and KLM's current Fee Schedule and Terms and Conditions, and an anticipated 48 hours of field inspection per week. Our field inspection services will be charged on a Time and Material basis per our current Fee Schedule and Terms and Conditions. KLM anticipates a 48-hour work week, with a budget estimate of $55,242.00. KLM is proposing to use a NACE Coatings inspector at an hourly rate of $125.00 per hour. The duration of the field inspection depends upon the construction schedule and on the time it takes the contractor to perform the field coating work.

This cost estimate includes the attendance of a qualified and assigned inspector at the preconstruction meeting. Additional meetings or inspection requested by the owner will be charged according to our fee schedule.

KLM's fee is based on a project duration of eight (8) weeks. If the contractor goes over the estimated eight (8) weeks, KLM will charge a weekly fee of $6,905.00.

Field Coating Inspection Fees Continued

This estimate is for eight (8) hours per day for six (6) days a week. Additional hours, per day or Sunday work, are not included in these hours. This would be an extra charge above the existing contract.

Warranty Inspection (optional)

KLM proposes to perform a warranty inspection on the referenced tank prior to the expiration of the performance bonded one (1) or two (2) year warranty for an estimated fee of $3,000.00. This fee includes two (2) copies of the warranty inspection report for the Owner and Engineer and one (1) copy of the report for the contractor. This fee does not include any necessary inspection(s) should warranty repair work be required.
This phase of the project will be billed upon submittal of the warranty inspection reports.

Fee Summary

1. Submittal Reviews	Fixed	$1,500.00
2. Erection Inspection (6 weeks)	Estimated	$12,735.00
3. Inspection Services (8 weeks)	Estimated	$55,242.00
	Total	**$69,477.00**
Warranty Inspection (2024, optional)	Estimated	$3,000.00

This cost estimate includes travel, labor, subsistence, and the attendance of a qualified and assigned inspector at the preconstruction meeting at the project location.

Terms and Conditions

KLM has attached our standard Terms and Conditions. The attached Terms and Conditions are part of this agreement between the J-U-B Engineers, Inc. and KLM Engineering, Inc. unless otherwise agreed to, in writing, by both parties.

Additional Information

Additional information can be found at KLM's website at: www.klmengineering.com

Agreement

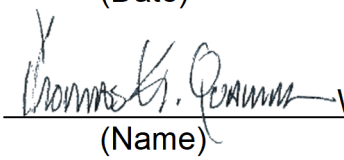
This proposal is valid for sixty (60) days from September 7, 2021. If J-U-B Engineers, Inc. finds this proposal acceptable, please sign and return. We can begin work immediately once an agreement has been executed.

If you have any questions regarding this proposal, please call me at 913-291-9076 or fax this proposal back at 651-773-5222.

This agreement, between JUB Engineers, Inc., Ft. Collins, Colorado and KLM Engineering, Inc. of Woodbury, Minnesota is accepted by:

_____, Steve James, PE
(Name) (Title) J-U-B Engineers, Inc.
Fort Collins, Colorado

_____
(Date)


Western Central Regional Manager, KLM Engineering, Inc.
(Name) (Title) Woodbury, Minnesota

September 7, 2021
(Date)

We look forward to working with you on this project.

Sincerely,

KLM ENGINEERING, INC.
Tom Quammen
West Central Regional Manager
Located in: Prairie Village, Kansas
Cell: 913-291-9076
Fax: 651-773-5222
Email: tquammen@klmengineering.com

Proposal

Project Team

KLM Engineering Inc.
WATER TOWER SPECIALISTS

KLM Project Team Chart

When you hire KLM, you hire a team of *the* water tower specialists.

- **Shawn Mulhern** — President / CEO, NACE III & AWS
  - **Olivia Harrington** — HR Director
    - **Laurie Sylte** — Finance Manager
      - **Senia Swanson** — Marketing Coordinator
        - **Nancy Hofer** — Administrative Assistant
  - **Dewey Prinzing** — VP of Business Dev., NACE I
    - **Michael Novitzki** — Dir. of Business Dev.
      - **Loren Mollet** — Marketing Associate
        - **Tom Quammen** — Central Regional Manager, NACE I
          - **James Creed** — Great Lakes Regional Manager, NACE III
            - **Kim Dietmeier** — Administrative Assistant
  - **Scott Kriese** — Project Field Supv., NACE III
    - **Edward Doyle** — On-site Resident Inspector, NACE III & MPI
      - **Chris Block** — On-site Resident Inspector, NACE III
        - **Ethan Hutar** — On-Site Resident Inspector, NACE II
          - **Thomas Yardley** — On-Site Resident Inspector, NACE II
            - **Perry Seidel** — On-site Resident Inspector
              - **Curtis Parison** — On-site Resident Inspector
                - **Lucas Tomperi** — On-site Resident Inspector, NACE II
                  - **Kevin Miller** — On-Site Resident Inspector, NACE II
                    - **Theresa Anderson** — Project Field Assistant
  - **Ben Feldman, P.E.** — Civil Engineer
    - **Thomas Brown, P.E.** — Structural Engineer
      - **Joey Clasemann, E.I.T.** — Civil/Structural Engineer
        - **Emma Jackson** — Administrative Assistant
- **Rodney Ellis** — VP / COO, NACE III & AWS
  - **Devin Severson** — Lead Evaluation Inspector, NACE I
    - **Tim Lindsay** — Lead Evaluation Inspector
      - **Matt Finley** — Evaluation Inspector
  - **Tadd Oachs** — Telecom Manager
    - **Michelle Nelson** — Operations Coordinator

All inspectors work directly under a Professional Engineer and a NACE Certified Project Supervisor.

Project Team

To provide a combination of client satisfaction and industry expertise, KLM has assembled a staff specific to the needs of our clients. The Project Team, listed in the organizational chart on the previous page, work year-round, with current projects booked into 2021 and beyond. In addition, KLM's staff have an extensive knowledge base, specializing in water storage systems, whether it be inspection, recondition, coatings, new tanks, or telecommunications. To ensure each project is held to the highest of standards, our team consists of Professional Engineers and certified inspectors by the National Association of Corrosion Engineers (NACE) and American Welding Society (AWS). Further details on the expertise of KLM's project team can be found in the preceding pages.

SHAWN MULHERN - PRESIDENT/ CEO/ PRINCIPAL OWNER

Mr. Mulhern has been inspecting, testing, and evaluating water towers for over 36 years. He has been involved in the inspection of over 300 elevated water towers, ground storage reservoirs, and industrial tanks of sizes ranging from 50,000 gallons to 120 million gallons. Shawn is a NACE Level III Certified Coatings Inspector and an American Welding Society (AWS) Associate Welding Inspector. He is also an avid volunteer and educational presenter nation-wide.

EXPERIENCE & EDUCATION

- American Water Works Association
- American Welding Society
- National Association for Corrosion Engineers
- Society for Protective Coatings
- Water Industry Professionals
- 2018 AWWA Benjamin G. Mason Award of Excellence

- AEC Engineering, Inc. | Coating Systems Supervisor
- Neumann Company Contractors, Inc. | Journeyman Painter
- NACE Successful Coating & Lining of Concrete
- Supervisory Leadership | Wilson Learning
- 3M Safety Training Program
- Tnemec Protective Services Seminar
- Industrial Technology | UW-Stout
- NACE III Inspector | No. 1293
- AWS- Welding Inspector No. 89040022
- OSHA Lead Abatement
- NDE Level II TU, PT, MT and vacuum box

RODNEY ELLIS - VICE PRESIDENT/ COO/ PRINCIPAL OWNER

Mr. Ellis has extensive experience working with a wide range of municipalities, military, and industrial facilities. He has worked on hundreds of water storage reservoirs, lead abatement projects, industrial tank reconditioning projects, water treatment plants, and bridges over the past 29 years. Rodney is a NACE Level III Certified Coatings Inspector, and an AWS Certified Welding Inspector. Rodney offers significant benefits to clients because of his work with all types of contractors on many types of complex projects.

EXPERIENCE & EDUCATION

- American Welding Society
- National Association for Corrosion Engineers
- Society for Protective Coatings
- Water Industry Professionals

- AEC Engineering, Inc. | NACE Coatings Inspector
- Neumann Company Contractors, Inc. | Industrial Sandblaster & Painter
- Mount Scenario College
- NACE III Inspector | No. 1686
- AWS- Welding Inspector No. 95040714
- API 653 | Above ground storage tank inspection
- NDE Level II TU, PT, MT, and vacuum box
- OSHA 10

BEN FELDMAN, P.E. - CIVIL ENGINEER

Mr. Feldman has worked in both the private and public sector starting out his career as an engineer and project manager with the Midwest leader in design of state-of-the-art municipal facilities and other complexes. Ben's project experience ranges from treatment plants, pump stations to distribution studies and maintenance plans. He is also an active member of Minnesota section AWWA as Board Security-Treasurer for over four years. Ben provides KLM's clients with creative, cost-effective solutions, exceptional service, and a level of quality as if it were his own.

EXPERIENCE & EDUCATION

- American Water Works Association
- MN-AWWA Young Professionals

- St. Paul Regional Water Services | Civil III
- SRF Consulting Group, Inc. | Field Engineer
- Anderson-Johnson Associates, Inc. | Project Manager
- University of Minnesota | Bachelor of Science- Civil Engineering
- Minnesota License | No. 49598
- Colorado License | No. 0057334
- OSHA 10

SCOTT KRIESE - PROJECT FIELD SUPERVISOR

Mr. Kriese is a NACE Level III Certified Coatings Inspector with fourteen years of experience on projects including surface preparation, coating application, and inspection services during reconditioning, new tank construction, and structural repairs on water storage tanks and towers. Scott is currently a Project Field Supervisor overseeing NACE inspectors who are performing daily inspections of new and reconditioned water storage tanks. Scott has provided resident inspection services or oversite on hundreds of potable water and fire protection tanks during his tenure at KLM.

EXPERIENCE & EDUCATION

- National Association for Corrosion Engineers
- Society for Protective Coatings

- KLM Engineering, Inc. | Project Field Supervisor
- NACE III Inspector | No. 11236
- OSHA 10

DEWEY PRINZING - VP OF BUSINESS DEVELOPMENT

Mr. Prinzing has been in the construction, inspection, testing, and evaluation industry for more than twenty years. He has been involved in the inspection of elevated water towers, ground storage reservoirs, and industrial tanks of sizes ranging from 50,000 gallons to 3 million. Dewey transitioned his knowledge as a NACE Inspector to his current role in sales. In sales, Dewey successfully assists clients with their various needs whether it be on rehabilitation, new tank construction, structural repairs, evaluations, tank cleaning, or mixing.

EXPERIENCE & EDUCATION

- National Association for Corrosion Engineers
- Society for Protective Coatings
- Water Industry Professionals

- Southwest Manufacturing, Inc. | Regional Sales Manager
- Otte Log Homes | Carpenter
- NACE I Inspector | No. 44811

MICHAEL NOVITZKI - DIRECTOR OF BUSINESS DEVELOPMENT

Mr. Novitzki has been in the sales and marketing industry for over four years. Since joining KLM, Michael has been able to utilize his skills in sales to excel in the water storage industry with a desire to assist communities of all different sizes. Michael has been involved in projects ranging from 50,000 to over one million gallons. Michael's goal to make sure every community has a positive experience regarding their water storage tank is evident in his superior workmanship and making sure the needs of his clients are taken care. He is also a valued member of the AWWA Young Professionals and a MAC Committee liaison.

EXPERIENCE & EDUCATION

- American Water Works Association
- MN-AWWA Young Professionals
- Water Industry Professionals

- First Financial | Director of Sales & Business Development
- New York Life | Financial Advisor
- Target Corporate | Merchandise Analyst
- Holy Cross College | Bachelor of Arts & Science-Finance, Marketing & Spanish
- Series 6
- MRWA Operator Training

JAMES CREED - GREAT LAKES REGIONAL SALES MANAGER

Mr. Creed is the Regional Manager located in our New Lennox, Illinois office. He has a combined 30+ years in the coatings industry primarily in General Industrial, OEM, Marine, Protective Coatings and Linings. The knowledge and understanding of protective coatings, surface preparation, and local, federal, and industry regulations Jim brings to KLM, confirms clients are receiving the most reliable guidance for their assets. Jim is also a NACE Level III Certified Coatings Inspector and SSPC Certified Concrete Coating Inspector.

EXPERIENCE & EDUCATION

- American Water Works Association
- Society for Protective Coatings
- Water Industry Professionals
- National Association for Corrosion Engineers

- The Society for Protective Coatings | Midwest Chapter Board Member
- Carboline Company | Senior Engineer Sales Manager
- Sherwin Williams | Senior Protective Coating Specialist
- NACE III Certified | No. 8970
- SSPC Certified Concrete Coating Inspector | No. 29820
- Engineering Sales Presidents Award | 2017, 2018

TOM QUAMMEN - WEST CENTRAL REGIONAL MANAGER

Mr. Quammen is the Regional Manager located in our Prairie Village, Kansas office. He has a combined 30+ years of water tank/ tower experience, first as a NACE and UT inspector for a small structural engineering firm in Minneapolis, then as a Principal Tnemec Company Representative, first in MN, then CO, ID, MT, NM, NV, UT, and WY. In addition, he has knowledge of structural engineering, extensive protective coatings experience, and ACI/ ICRI training. His skills and experience are an asset to KLM and our clients.

EXPERIENCE & EDUCATION

- American Water Works Association
- KS/MO/CO Rural Water Association
- Water Industry Professionals
- Tnemec Corporate Award (Retired)

- Tnemec Company | Principal, Agency Owner
- AEC Engineers & Designers | Technician
- Twin City Testing | Technician
- Anoka Technical College
- Mankato State University
- CSI CDT

- ICRI Slab Certified

TADD OACHS - TELECOM MANAGER

Mr. Oachs has worked in the telecommunications industry for over 9 years. His knowledge and skill in the field, along with his experience with some of the newest technologies, are an asset to KLM projects. Tadd's extraordinary focus and strategic way of thinking, with his uncanny ability to facilitate clear communication between different teams and departments, is invaluable to completing projects on-time and within budget.

EXPERIENCE & EDUCATION

- St. Cloud University
- Siren Telephone Company | Telecommunications Technician
- CenturyLink | Broadband Technician
- Bear Communications | Installation and Drop Bury Supervisor

LAURIE SYLTE - FINANCE MANAGER

Mrs. Sylte has been in the finance management industry for over 20 years. Of these years, 15 are specific to water storage systems. Laurie excels in project support and budget management for tanks ranging from 25,000 to over a million gallons. She works directly with clients to ensure accounting and budget timelines are met and executed to city and/or council requirements.

EXPERIENCE & EDUCATION

- Somerset Telephone | Finance
- St. Croix Telephone | Finance
- Wisconsin Indian Technical College

DEVIN SEVERSON- LEAD EVALUATIONS INSPECTOR

Mr. Severson is one of KLM's Lead Inspectors, supervising our evaluations team. Devin has been involved with the evaluation of over 500 elevated water towers and ground storage reservoirs in 15 states. Devin received his training directly under a NACE III Coating Inspector and currently works under the supervision of a NACE III/AWS Certified Inspector and Structural Engineer. Devin has extensive knowledge with rigging, coating analysis, and destructive/non-destructive testing. Devin's experience with multiple towers has given him the understanding of how to approach information gathering in many different settings. He is also a NACE Level 1 Certified Coatings Inspector.

CERTIFICATIONS

- NACE I Inspector | No. 78234
- OSHA 10

EXPERIENCE

- Joliet, IL | 1 Million-Gallon Rock Run Tower
- Los Alamos County, NM | 20 water reservoirs
- Lino Lakes, MN | 1 Million-Gallon Towers No. 1 & 2

TIM LINDSAY- LEAD EVALUATIONS INSPECTOR

Mr. Lindsay is part of KLM's evaluation team, performing inspections and maintenance services as well as product installations. Tim comes with a strong background in equipment operations and mechanics, which comes in handy with our robotic inspection tools. Tim brings to KLM a strong work ethic, something that is seen by our clients with his onsite professionalism and communication style

TRAINING

- KLM Inspector Training

EXPERIENCE

- University of Notre Dame, IN | 500,000-Gallon Tower No. 1
- MCF Stillwater, MN | 330,000-Gallon Tower
- Kansas City, MO | 5 water reservoirs

CHRIS BLOCK- ON-SITE RESIDENT INSPECTOR

Mr. Block has been in the industrial coatings industry for more than 25 years with projects worldwide including the United States and Japan. His project portfolio includes surge tanks, pipelines and million-plus gallon water towers, all adding to his vast knowledge in coatings and tank structures. Chris also holds numerous professional certifications as well as being a NACE Level 3 Coatings Inspector.

TRAINING

- KLM Inspector Training
- NACE III Inspector | No. 69860
- OSHA 30
- CAS Full Intern
- SSPC 14
- C3 & C5 Lead

EXPERIENCE

- Japan | jet fuel tanks
- MN Power | penstocks and fuel tanks
- Eveleth, MN | 750,000-Gall Water Tower

CURTIS PARISON ON-SITE RESIDENT INSPECTOR

As a Coatings Inspector, Mr. Parison has over seven years' experience working on projects nationwide. Curtis is an expert climber/rigger with an extensive background in projects ranging from new construction to reconditioning of elevated water towers and ground storage reservoirs. He is a strong advocate for quality workmanship from the start of the project to completion with a thorough attention to detail.

TRAINING

- KLM Inspector Training
- NACE I Inspector (IT)

EXPERIENCE

- Great Falls, MT | 500,000-Gallon Gore Hill Tower
- Moorhead, MN | 500,000-Gallon Woodlawn Tower
- New England, ND | 200,000-Gallon Tower

PERRY SEIDEL- ON-SITE RESIDENT INSPECTOR

Mr. Seidel has been working in the water storage tank industry for over 16 years, with advanced experience in construction supervision and project management. He has been involved with projects across the United States, with an average of 125 each year. His experience ranges from new construction to rehabilitation of tanks from small to large. His dedication to quality control, safety, and superior project inspection makes him a valued member of the KLM team.

TRAINING

- KLM Inspector Training
- Aerial & Scissor Lift
- Scaffolding Safety Qualification Training
- SAIS Suspended Scaffold Competent Person
- Telehandler Operation Certification
- First Aid/ CPR/ AED
- OSHA 30

EXPERIENCE

- Brooklyn Park, MN | 1,000,000-Gallon Legged Tower
- St. Louis Park, MN | 1,500,000-Gallon Water Reservoir
- New Hope, MN | 500,000-Gallon Legged Tower

EDWARD DOYLE- ON-SITE RESIDENT INSPECTOR

Mr. Doyle is a NACE III Certified Coatings Inspector and a Certified MPI Architectural Coating Technologist. He has been a key inspector for projects ranging from asset management, adhesion testing, and NACE inspections. He utilizes his strong level of expertise to provide superior workmanship.

TRAINING

- NACE III Inspector | No. 26066
- MPI Architectural Coating Technologist | No. 0794
- Construction Safety Certified

EXPERIENCE

- Erie, CO | Water Treatment Plant
- Erie, CO | 4,000,000-Gallon Water Reservoir

SCOTT FLATT- ON-SITE RESIDENT INSPECTOR

Mr. Flatt is a NACE Level III Coatings Inspector with experience in the water storage tanks for the past 12years. He has been involved on coating and sandblasting projects on tanks of diverse capacities and holds multiple professional certifications. Scott is also a commercial diver and former member of the National Guard.

TRAINING

- KLM Inspector Training
- NACE III Inspector | No.11236
- ASME

EXPERIENCE

- Elgin, IL | 1 Million-Gallon Alft Lane Tower
- Elgin, IL | 2 Million-Gallon Shales Parkway Tower
- Joliet, IL | 12D Tower

References And Project Profiles

REFERENCES

The following is a summary list of projects from the past 5 years. A more complete list of references can be provided upon request.

New Tank Construction

- 1,500,000 Gallon Composite

Owner: City of St. Cloud, MN
Client: Apex Engineering
Contact: Lisa Vollbrecht, 320-255-7225
* 2017 Tnemec Tank of the Year 1st Runner-Up

- Northwest & East Towers

1 Million Gallon Composites
Owner: City of Watford City, ND
Client: AE2S
Contact: Donovan Voeller, PE, 701-746-8087

- 200,000 Gallon Single Pedestal

Owner: City of Wahpeton, IA
Client: ISG
Contact: Kelly Evans, PE, 515-243-9143

- Tower No. 1

50,000 Gallon Hydrocone
Owner: City of Kelliher, MN
Client: WSN
Contact: Curtis Meyer, PE, 218-766-7205

- 200,000 Gallon Elevated Water Tower

Owner: City of Warren, MN
Client: WSN
Contact: Steve Emery, 218-773-5626

- 750,000 Gallon Single Pedestal Spheroid

Owner: City of Jamestown, ND
Client: Interstate Engineering
Contact: Travis Dillman, 701-252-0234

- Tower No. 1

50,000 Gallon Hydrocone
Owner: City of Lismore, MN
Client: WSN
Contact: Larry Van Hout, PE, 320-335-5014

- Tower No. 6

1.5 Million Gallon Composite
Owner: City of West Fargo, ND
Client: Moore Engineering, Inc.
Contact: Jim Sepp, PE, 701-282-4692

- Reservoir 6

300,000 Gallon Tower
Owner: Northern Prairie Rural Water, ND
Client: Interstate Engineering, Inc.
Contact: Darrell Hournbuckle, PE, 701-320-2462

- Tower No. 1

50,000 Gallon Hydrocone
Owner: City of Pennock, MN
Client: WSN
Contact: Larry Van Hout, PE, 320-762-8149

- East & West Towers

1 Million Gallon & 500,000 Gallon Single Pedestals
Owner: City of Williston, ND
Client: AE2S
Contact: Donovan Voeller, PE, 701-746-8087

- East Tower

1,250,000 Gallon Hydropillar
Owner: City of Baxter, MN
Client: WSN
Contact: Aric Welch, 218-316-3645

- Tower No. 2

200,000 Gallon Composite
Owner/ Client: Village of Somerset, WI
Contact: Bob Gunther, 715-760-0884

- North Park Tower

250,000 Gallon Single Ped. Spheroid
Owner: New Ulm Public Utilities
Client: Short Elliot Hendrickson
Contact: Miles Jensen, 651-490-2020

- 250,000 Gallon Elevated Water Tower

Owner: Williams Rural Water District
Client: AE2S
Contact: Donovan Voeller, PE, 701-746-8087

- 250,000 Gallon Single Ped Spheroid

Owner: City of Park River, ND
Client: AE2S
Contact: Donovan Voeller, PE, 701-746-8087

- New Tower

500,000 Gallon Elevated Water Tower
Owner: City of Great Falls, MT
Client: AE2S
Contact: Alan Wendt, PE, 406-257-8990

- New Tower

500,000 Gallon Composite
Owner: City of Ray, North Dakota
Client: Interstate Engineering
Contact: Dean Peterson, PE, 701-320-4295

- Tower No. 2

75,000 Gallon Hydrocone
Owner: City of Herman, MN
Client: WSN
Contact: Larry Brunkow, 320-677-2200

- Tower No. 1

400,000 Gallon Single Pedestal
Owner: City of Surrey, ND
Client: SE2S
Contact: 701-746-8087

PROJECT PROFILES

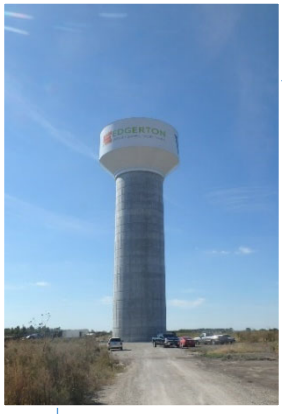
KLM has an unparalleled record of consistently delivering successful projects like yours. KLM has planned, designed, and refurbished water towers for the past twenty years. The longevity of our projects is what we are most proud of. What owners most appreciate is the return in investment KLM brings to each project. The following pages list projects KLM has completed, similar to the proposed tank.

City of St. Cloud, MN

New Construction of: 1,500,000 Gallon Composite

Dates of Service: 2017 New Construction

Conditions & Services: The City of St. Cloud, Minnesota was in need of a new water tower for potable water storage and flow equalization along the I-94 and 33rd street south corridors adjacent to County Road 75. Hydraulic studies were conducted, which indicated a new 1.5 million-gallon water tower was the best solution. KLM performed shop inspection, surface preparation, and primer application at the manufacturer's facility. KLM also performed onsite welding, surface preparation and coating inspections while the tower was erected and painted at the location of the tower.
* 2017 Tnemec Tank of the Year First Runner-Up

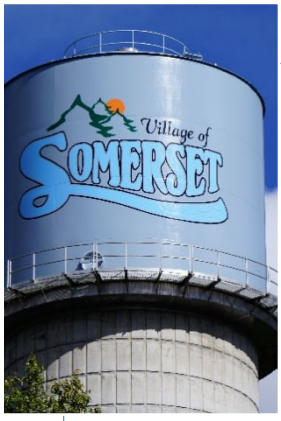


Water District No. 7- Edgerton, KS

New Construction of: 1,000,000 Gallon Composite

Dates of Service: 2015 New Construction

Conditions & Services: KLM was called into this project during the construction phase for our expertise in water towers. Duirng construction, the Owner noticed wrinkles/dents in the shell plates. KLM performed sweep board testing of shell plates and verified deflections exceeded building codes. The erection contractor replaced all of the shell plates post haste. KLM was employeed to stay on board during the plate replacement and through the coating phase. Even with the steel replacement, the project was completed on time.



Village of Somerset, WI Tower No. 2

New Construction of: 200,000 Gallon Composite Spheroid

Dates of Service: 2011 Evaluation, 2018 New Construction

Conditions & Services: The Village of Somerset inherited a unique situation. In 2004 a bolted/glass lined tank was erected on a concrete column to provide water to the Village. Due to corrosion beyond repair, the Village elected to replace the bolted manufactured tank with a new welded steel reservoir. KLM's structual engineering department was able to design a welded steel tank of comparable size to replace the bolted tank. The new tank was constructed on the ground adjacent to the exsiting tank, painted, and lifted onto the concrete column after the bolted tank was removed. The actual swop of the tanks were performed in less than one day, minimizing any water shortage for hte community. The project was a tremendous success, with all parties envolved working together for the best interest of the Village.

City of Ray, ND New Composite

New Construction of: 500,000 Gallon Hydropillar

Dates of Service: 2017 New Construction

Conditions & Services: KLM was contracted to perform weld and coating inspection services for the City of Ray, North Dakota's new water tower. With a challenging location of the tower being constructed in a residential area, a containment system was required to control paint and dust emmissions during the blasting and coating process. The overall project was completed on time with all expectations met.

City of Wahpeton, IA New Tower

New Construction: 200,000 Gallon Single Pedestal

Dates of Service: 2017 New Construction

Conditions & Services: With the City of Wahpeton, Iowa growing expedentially they needed to increase their water storage capacity. KLM worked jointly with I&S Group out of Des Moines, Iowa, to contruct a new water tower. KLM provided certified welding and coating inspections during the project to ensure work was performed per the specification. The tower was constructed adjacent to, and replaced the old water tower during the course of one season. With the contractor's home base in South Dakota, I&S Group being from Des Moines and KLM arising from Minnesota, multiple facets were involved to complete this successful project.

KLM Support Documents

KLM ENGINEERING, INC.
1976 Wooddale Drive, Suite 4 | Woodbury, MN 55125
Phone (651) 773-5111 | Fax (651) 773-5222

KLM 2021 Fee Schedule

Principal Associate	$160.00 per hour
Structural Engineering	$220.00 per hour
Professional Engineering	$195.00 per hour
Engineer in Training	$125.00 per hour
Project Manager/Supervisor	$140.00 per hour
Field Inspectors – CWI/NACE	$130.00 per hour
Field Inspectors – NACE I & II	$125.00 per hour
Clerical	$85.00 per hour

* Per Client needs, customized pricing is provided based on the total project requirements and time frame.

Reimbursable Expenses

The following expenses are reimbursable to KLM Engineering Inc.:

1. Travel time billed at the labor rates listed above or as contracted.
2. Vehicle mileage billed at $0.85 per mile. KLM onsite vehicle/trailer will be charged at $35.00 per day.
3. Daily Per Diem billed at $180.00 per calendar day or as contracted.
4. Projected related expenses such as onsite rental equipment and sub-contractor or sub-consultants billed at actual cost plus 5%.
5. Production supplies, duplicating, and delivery expenses will be billed at the actual costs incurred, no mark-up.
6. Cell Phone charges will be billed at $20.00 per week.

**Rates may vary due to location*

KLM ENGINEERING, INC.
TERMS AND CONDITIONS

1. BASIC SERVICES. The scope of KLM's work is described in the attached proposal or contract agreement and may not be expanded or reduced except by mutual agreement in writing.

2. ADDITIONAL SERVICES. Additional work or services shall not be performed without a duly executed change order or purchase order outlining the scope of additional work on services.

3. OWNER'S RESPONSIBILITIES. OWNER shall fully disclose to KLM its knowledge of the condition of the structure and its past and present contents and shall provide KLM with full information regarding the requirements for the project; shall designate an individual to act on OWNER'S behalf regarding the project. If necessary, shall clean and make the structure safe for entry; shall furnish the service of other consultants (including engineers, insurance consultants, accountants, attorneys, etc.) when those services are reasonable required or are reasonably requested by KLM; shall test for pollution and hazardous materials when required by law or requested by KLM; and shall provide all necessary permits and other authorization.

4. SAFETY. KLM shall only be responsible for safety of KLM personnel at the work site. The Owner or other persons shall be responsible for the safety of all other persons at the site. Owner shall inform KLM of any known or suspected hazardous materials or unsafe conditions at the work site. If, during the course of the work, such materials, or conditions are discovered, KLM reserves the right to take measures to protect KLM personnel and equipment or to immediately terminate services. Owner agrees to be responsible for payment of such additional protection costs. Upon such discovery, KLM agrees to immediately notify the Owner in writing, of the hazardous materials or unsafe conditions.

5. HAZARDOUS MATERIALS. Unless agreed in the scope of work KLM has no responsibility for the discovery, presence, handling, removal or disposal of or exposure of persons to hazardous materials at the project site. To the full extent permitted by the law, OWNER shall defend and indemnify KLM and its employees from all claims, including costs and attorney fees, arising out of the presence of hazardous materials on the job site.

6. SITE ACCESS AND RESTORATION. Owner will furnish KLM safe and legal site access. It is understood by Owner that in the normal course of work, some damage to the site or materials may occur. KLM will take reasonable precautions to minimize such damage. Restoration of the site is the responsibility of the Owner, unless agreed to in the scope of work.

7. STANDARD OF CARE. KLM will perform services consistent with the level of care and skill normally performed by other firms in the profession at the time of this service and in the geographic area, and under similar budgetary constraints. No other warranty is implied or intended.

8. SCHEDULING. Prior to scheduling the OWNER shall furnish a written purchase order or request for the services required and shall give as much notice as possible in advance of the time when the services are desired. Our ability to respond to such an order will depend upon the amount of advance notice provided. If an inspection is canceled or delayed after KLM personnel and/or equipment are in transit to the work site, then the OWNER shall be billed, according to the TERMS AND CONDITIONS, for costs incurred by KLM.

9. INSURANCE. KLM will maintain worker's compensation insurance and comprehensive general liability insurance and will provide OWNER with a certificate of insurance upon owner's request.

10. PAYMENT, INTEREST AND BREACH. KLM will submit itemized monthly or other periodic invoices for work previously performed. Invoices are due upon receipt. OWNER will inform KLM of invoice questions or disagreements within 15 days of invoice date, unless so informed, invoices are deemed correct. OWNER shall make payment within 30 days after receiving each statement, and overdue payments will bear interest at 1.5 percent per month if OWNER is a business entity and at the legal rate of interest of the state in which the project is located if OWNER is a consumer. If any invoice remains unpaid for 60 days, such non-payment shall be a material breach of this agreement. As a result of such material breach, KLM may, at its sole option, suspend all duties to the Owner or other persons, without liability. Owner will pay all KLM collection expenses and attorney fees relating to past due fees, which the Owner owes under this agreement.

11. MUTUAL INDEMNIFICATION. Except as to matters actually covered by insurance purchased by KLM. KLM agrees to hold harmless and indemnify OWNER from and against liability arising out of KLM's negligent performance of the work, subject to any limitations, other indemnification's or other provisions OWNER and KLM have agreed to in writing. Except as to matters actually covered by insurance purchased by OWNER, OWNER agrees to hold harmless and indemnify KLM from and against liability arising out of OWNER'S negligent conduct, subject to any limitations, other indemnification's or other provisions OWNER and KLM have agreed to.

12. LIMITATION OF LIABILITY. OWNER agrees to limit KLM's liability to OWNER arising from professional acts, errors or omissions, such that the total aggregate liability of KLM does not exceed KLM's project fees except as to matters actually covered by insurance purchased by KLM.

13. DELAYS. If KLM work delays are caused by Owner, work of others, strikes, natural causes, weather, or other items beyond KLM's control, a reasonable time extension for performance of work shall be granted, and KLM shall receive an equitable fee adjustment.

14. TERMINATION. After 7 days written notice, either party may elect to terminate work for justifiable reasons. In this event, the OWNER shall pay for all work performed, including demobilization and reporting costs to complete the file project and reports to OWNER.

15. SEVERABILITY. Any provisions of this agreement later held to violate a law or regulation shall be deemed void, and all remaining provisions shall continue in force. However, OWNER and KLM will in good faith attempt to replace an invalid or unenforceable provision with one that is valid and enforceable, and which comes as close as possible to expressing the intent of the original provision.

16. KLM'S DOCUMENTS. All reports, specifications, drawings and other documents furnished by KLM are part of KLM's services to OWNER for use only for the project, and KLM retains all ownership of said documents regardless of whether the project is completed. OWNER may retain copies for reference in connection with the use and occupancy of the project; but KLM does not represent that the documents are suitable for reuse on extension of the project or on other projects. OWNER and others shall not use the documents on other projects or extensions of this project except by KLM's written agreement. OWNER will defend and indemnify KLM from all claims or losses arising out of the unauthorized use of the documents.

17. ARBITRATION. Any controversy or claim for money damages arising out of or relating to the making or performance or interpretation of this AGREEMENT, or the breach of this AGREEMENT, shall be settled by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association. The arbitration panel shall consist of three arbitrators, at least one of who is a structural engineer; and the panel may award only money damages and shall not award equitable relief. Judgment upon the arbitration award may be entered in any court having jurisdiction of the parties. The enforceability of these arbitration provision and arbitration awards will be governed by the Federal Arbitration Act.

18. ARBITRATION FEES. The prevailing party to any dispute arising out of this AGREEMENT shall be entitled to recover its reasonable fees and costs from the other party.

19. JOB SITE IMAGES, PHOTOGRAPHY AND VIDEO. During the term of this contract and thereafter, KLM has permission to take still photographs or video of the site for training, documentation, education or promotional purposes. A signed agreement constitutes the Owner's written permission to use the photographic image or video in the manner described herein. The only identifiable information to be used by KLM will be the Owner's name as displayed on the image. Acceptance of these terms and conditions is considered a legal release by the Owner allowing KLM to use of photographic images as described herein.

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GROUND ENGINEERING

October 19, 2021

Subject: Proposal for Quality Assurance Materials Testing Services, Johnstown Tank and Pipeline Project

Proposal No. 2110-2010

Ms. Ellen Hilbig
Town of Johnstown
450 South Parish Avenue, PO Box 609
Johnstown, CO 80534

Dear Ms. Hilbig,

Ground Engineering Consultants, Inc. (GROUND) appreciates the opportunity to prepare a proposal to perform quality assurance materials testing services for the Johnstown Tank and Pipeline project. It is our understanding that our scope of services will include materials testing services, specifically soils compaction testing, concrete testing, reinforcing observations, and the associated laboratory testing services. Please note that the services will only be provided as scheduled by the Owner, Owner's Representative, Contractor, or applicable Subcontractors. Additional services beyond those below can be provided. Please contact this office for a fee estimate for additional services that may be needed.

Proposed Unit Rates/Fees – our services will be completed at the rates outlined in the attached fee schedule. For budgetary purposes, we have provided a total fee estimate below based on an assumed scope of services to be scheduled:

Estimated Time

Soils Technician	**$48.00**	per hour	116	Hours	$5,568.00
Concrete Technician	**$48.00**	per hour	137	Hours	$6,576.00
Reinforcing Steel Technician	**$55.00**	per hour	56	Hours	$3,080.00
PM Management/Meetings/Review	**$105.00**	per hour	24	Hours	$2,520.00

Laboratory Testing and Unit Billing

Soil				
Proctor Compaction	15	Tests @	**$110.00**	$1,650.00
Gradation	15	Tests @	**$60.00**	$900.00
Atterberg Limit	15	Tests @	**$65.00**	$975.00
Concrete				
Concrete Compression Test, Cylinders (each)	250	Tests @	**$14.00**	$3,500.00

Total Proposed Estimate **$24,769.00**

This estimate has been compiled based on information provided to GROUND Engineering Consultants, Inc. as of the date of proposal. General Conditions and Limitations of Liability have been submitted herew ith, and are incorporated herein by reference. This estimate is not inclusive of any retests, nor of any changes to scope or schedule of w ork.

Noted Proposal Assumptions/Exclusions/Conditions

1. This proposal includes concrete testing of drilled piers, over a duration of 2 weeks (10 total days). Continuous inspection during drilled pier installations is excluded (assumed to be completed by others). If requested, GROUND can provide pier observations under an added scope of services.

Service Agreement/Proposal Conditions

The scope addressed by this proposal does not include geotechnical engineering services, other than any specifically identified herein. Should geotechnical engineering services be requested, including but not necessarily limited to soil bearing pressure evaluation, remedial earthwork/soil stabilization recommendations, groundwater evaluation, and assessment of soil suitability for specific uses, the Client/Owner/Contractor must realize additional time, exploration, evaluation/analysis, and costs likely will be incurred for such services. Such services would be provided under a separate scope and fee. Performing materials testing and observation services does not place the Consultant in the role of Geotechnical Engineer for the project, and the Consultant cannot assume that role unless specifically contracted to do so.

You will be invoiced for the amount of services actually performed, so actual total cost may be more or less than the amount estimated above. The terms under which our services will be performed are outlined in the General Conditions that contain a limitation of GROUND's liability. This proposed estimate shall be valid for a period of 120 calendar days from the date of submittal. GROUND reserves the right to review and revise the proposed quantities and unit rates thereafter. The referenced “Fee Schedule” and “General Conditions” are included and are part of this proposal. We propose that our fees for any additional services be based on our hourly and unit costs in accordance with the “Fee Schedule”. Also note that GROUND reserves the right to withhold data and reports until we have received a signed proposal. If this proposal meets with your approval, please sign one copy and return it to this office.

Thank you for considering us for the materials testing and special inspection services on this project.

Sincerely,
GROUND ENGINEERING CONSULTANTS, INC.

Levi Klingsmith

Agreed to this _____ day of _____ 2021

Town of Johnstown, by: _____

Print:_____

GROUND ENGINEERING

FEE SCHEDULE - CONSTRUCTION SERVICES

MATERIAL TESTING AND SPECIAL INSPECTION

(Time is round trip from office to project site and return)

• Concrete and Asphalt Testing (hourly)	$48.00
• Soil Testing (hourly)	$48.00
• Rebar, Masonry, Post Tension, Piers (hourly)	$55.00
• Floor Flatness (hourly)	$75.00
• Wastewater Pipe Inspection (hourly)	$75.00
• Coring and Concrete Humidity/Moisture (hourly)	$75.00
• Certified Welding Inspector (CWI) (hourly)	$80.00
• Certified Building Inspector (hourly)	$80.00
• Certified Fire Stop Inspector (hourly)	$95.00

MANAGEMENT AND ENGINEERING

• Project Management-Review/Supervision (hourly)	$105.00
• Senior Project Engineer/Geologist (hourly)	$175.00
• Project Engineer/Geologist (hourly)	$140.00
• Staff Engineer/Geologist (hourly)	$105.00
• Open Hole (hourly)	$95.00
• Principal Engineer, Senior Project Manager	Quote
• Overtime (Over 8hrs/day, weekends, after 6pm)	rate + $15.00
• Trip Charge (covers vehicle and equipment)	$0.00
• Interest charged after 30 days from invoice date	1.5%

MISCELLANEOUS

(These units are on a project by project basis and will only apply as detailed in the proposal)

• Construction Management, Civil Inspection	Quote	• Mobile Laboratory	Quote
• Quality Management	Quote	• Outside Laboratory Services	Quote
• Out-of-town living expenses, commercial travel costs, equipment rental, etc.	Quote	• Vibration Monitoring/Geotechnical Instrumentation Services, Thermal Conductivity and Resistivity	Quote

• Pile Dynamic Analysis, Ground Penetrating Radar, Cross Hole Sonic Logging, Sonic Echo, Falling Weight Deflectometer — Quote

LABORATORY TESTING

Soil and Aggregate	
Proctor Compaction	$110.00
Atterberg Limit	$65.00
Gradation	$60.00
No. 200 Wash	$35.00
Gradation and Hydrometer	$135.00
Specific Gravity of Fine Aggregate	$65.00
Natural Density and Moisture Content	$15.00
"R"-Value	$350.00
Soil Cement Proctor	$150.00
Unconfined Comp. Str.-Soil Stab. (per set)	$250.00
pH Test	$50.00
Water Soluble Sulfates Test	$50.00
Triaxial Permeability	$375.00
Alkali Silica Reactivity (to 28 days)	$450.00
Denver Swell	$75.00
Direct Shear	$500.00
Sand Equivalent	$95.00
Relative Density	$200.00
Clay Lumps and Friable Particles	$45.00
Flat or Elongated Particles	$60.00
Sulfate Soundness	$300.00
Fractured Faces Test	$60.00
Los Angeles Abrasion Test	$150.00
Uncompacted Voids Test	$95.00
Specific Gravity of Coarse Aggregate	$95.00
Soil Stabilization Mixture Analysis	$3,500.00

Concrete	
Concrete Compression Test, Cylinders (each)	$14.00
Concrete Comp. St. Cylinders (high strength concrete)	$75.00
Compressive Strength-CLSM Cylinders	$20.00
Concrete Flexural Test, Beams	$55.00
Maturity Data Logger (each)	$95.00
Moisture Coupons (each)	$95.00
Relative Humidity Sensors (ASTM F2170) (each)	$95.00
Shotcrete Comp. Str. (per panel)	$225.00
Maturity Meter Strength Correlation	$3,000.00
Concrete Mix Trial Blend	$4,000.00
Asphalt	
AC Content and Extracted Gradation	$160.00
Sp.G.(SSD), Stability, Flow (Marshall) (per test)	$350.00
Specific Gravity (SSD) and Voids (Gyratory) (per test)	$250.00
Theoretical Maximum Specific Gravity	$100.00
Modified Lottman (TSR)	$325.00
Ignition Oven Calibration	$225.00
Specific Gravity (SSD) and Voids (per Core)	$40.00
Coring-Asphalt (Dia. (*in.*) X Depth (*in.*) X No. cores)	$1.50
Stability (Gyratory)	$105.00
Asphalt Moisture Content	$15.00
Micro Deval	$175.00
Masonry	
Mortar Compressive Strength	$20.00
Masonry Prism Comp. Strength	$95.00
Grout Compressive Strength	$30.00
Compressive Strength CMU/Brick Coupon	$50.00

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GENERAL CONDITIONS

INTENT OF SERVICES: The services and any subsequent analysis and reporting performed by the Consultant under this agreement are intended to assist the Client. It must be understood that the Consultant's tests, observations, or inspection results do not mean that Consultant is approving any aspect of the design, or the work performed or materials used by the Contractor or any Subcontractors. Client acknowledges that Consultant is not responsible for the contractor's or subcontractor's compliance with regulating agencies, safety, materials, means, methods, techniques, sequences, procedures of construction, nor for contractor's failure to follow recommendations or good construction practices, and that the services provided by the Consultant shall not relieve the contractor of its obligation to perform the Work in accordance with the project plans and specifications, as well as use materials that are in accordance with the plans and specifications.

The observation and testing services outlined herein, or lack thereof, do not relieve the contractor, subcontractors or any other applicable trades of their responsibilities to perform their portion of this project in conformance to the project plans, specifications, and other applicable documents.

Any exploration, testing, specific observations, inspection and/or analysis associated with the services will be performed by Consultant solely to fulfill the purpose of this Service Agreement and Consultant is not responsible for interpretation by others of the information developed. Client recognizes that conditions on the project site may vary from those encountered during testing and that information generated by Consultant is based solely on the information available to the Consultant at the time and location of such testing. Furthermore, the Client acknowledges that actual testing, observation, or inspection performed is likely on a very small percentage of the overall project and that as such, may not fully reflect the work performed or materials used by Project Contractors or Subcontractors.

The proposed scope of services provided herein does not include engineering review of the project documents in regard to the geotechnical aspects of the project such as foundations, slabs, pavements, drains, walls, etc; nor does the proposed scope of work consist of construction management services relating to acceptance of materials, material types, or placement methodology. It is not the responsibility of the Consultant to accept or reject material placement or material types, nor to alter, amend, or revise project specifications. If required, these services can be provided under a separate scope of work.

RIGHT-OF-ENTRY: Unless otherwise agreed, Client will furnish right-of-entry for Consultant to take the scheduled tests or observations. Consultant will take reasonable precautions to reduce damage to property. However, cost of restoration or damage that may result from field operations are not included in the fee unless otherwise stated, and Consultant cannot be held responsible. Any construction debris or waste generated as a result of the required testing is the responsibility of the Client and their respective Contractor or Subcontractors.

SCHEDULING OF SERVICES: ALL observation and testing requests must be scheduled at least 24 hours in advance of each required observation or test. Verbal test results can be provided to the Contractor/Subcontractor and/or any other entities or representatives as designated by the Client as tests are completed, and formal, typed reports can be forwarded once they have been processed and reviewed. Unless specifically scheduled through our main office for a specific test/observation, date, and time, testing or observations may not occur.

The required amount of work for materials testing depends on the Client's, Contractor's, Subcontractor's, or other Entity's scheduling of our services, as well as their production schedule. Having no control over these factors, our proposed scope of work is in general accordance to the attached Fee Schedule.

The proposed scope of work is for periodic testing and observation. It is therefore important that the Client, Contractor, or Subcontractors schedule our field technicians such that: (1) Sufficient tests are conducted to comply with project specifications; and, (2) That such testing occurs at locations that are randomly distributed throughout the materials being tested. The quantity of tests provided for the various elements in the attached sheets are estimates; actual amounts of individual tests and locations are highly dependent on the Contractor's schedule and the scheduling of our field personnel (technicians, CWI, utility inspectors or building inspectors) by the Client, Contractor and/or Subcontractors.

INVOICES: Consultant will submit progress invoices to client monthly and a final bill upon completion of the services. Invoices will show charges for different personnel and expense classifications. Each invoice is due on presentation and is past-due thirty (30) days from invoice date. Rates quoted in this proposal reflect a 3% cash/check discount. Pricing will be adjusted to remove this discount in the event client prefers to pay by credit card. Client agrees to pay a finance charge of one and one-half percent (1.5%) per month, or the maximum rate allowed by law, on past-due accounts. Should Consultant bring suit to recover past due payment for services rendered to Client, Consultant shall be entitled to recover all costs of collection, including reasonable attorneys' fees.

REPORTS: Reports, plans and other work products prepared by Consultant remain the property of Consultant until all fees for Consultant's services have been paid. Client agrees that all reports and other documents furnished to the Client and his agents not paid for will be returned upon demand, and will not be used for licensing, permits, design and/or construction. Any Contractor or Subcontractor other than the Client who uses any test data or other information provided by Consultant in support of this scope of work must indemnify the Consultant from and against any and all claims resulting from such use.

FINAL LETTERS: Many governing agencies require that the Consultant provide some form of final letter at the completion of a project. Such letters are usually required to state that the project was constructed in compliance or general compliance to certain specifications, plans, or codes. As professional consulting engineers, it is not possible or reasonable to state with certainty that all work completed by others completely complied with any specification, plan, or code, and any interpretation as such is incorrect. The Consultant can only make such statements based on the best of their knowledge, their experience, as well as on the specific periodic testing and/or observations that were performed and for the time they were performed. Any use of the word "inspection" shall be assumed to mean "observation" in any document provided by our office that is in any way connected with this project. Such letters do not constitute any form of warranty, guarantee, or certification, expressed or implied, regardless of the wording used.

It must also be understood that such testing and observation only occur when properly scheduled by the owner, owner's representatives, contractor, or subcontractors, and therefore, it is their responsibility to schedule accordingly and in a manner consistent with the project specifications and the scope of work provided herein.

USE OF ELECTRONIC OR OTHER SUPPLIED DATA: Electronic documents, site plans, or other information provided to Consultant for the subject project may be used in compiling geotechnical, environmental, or construction-related reports for the subject project. It is the responsibility of the Owner or Supplier of such documents to ensure that our use does not violate any copyright or confidentiality that may be pertinent to the supplied information.

LIMITATION OF LIABILITY: Consultant agrees in connection with services performed under this Agreement that such services are performed with the care and skill ordinarily exercised by members of the profession practicing under similar conditions at the same time and in the same or a similar locality and scope. No warranty, expressed or implied, is made or intended by rendition of consulting services or by furnishing oral or written reports of the findings made. Liability of Consultant or Subconsultant(s) for damages due to or arising from professional negligence, breach of contract, or any cause of action, shall be limited to the Consultant's fee for this project.

Any exploration, testing, specific observations and analysis associated with the services will be performed by Consultant solely to fulfill the purpose of this Service Agreement and Consultant is not responsible for interpretation by others of the information developed. The services we have been retained to provide consist of periodic material testing and/or observations to assist the client, owner, construction manager and design team members with evaluating compliance with project specifications.

STANDARD OF CARE: In providing its services, Consultant shall perform in a manner consistent with that degree of care and skill ordinarily exercised by members of Consultant's profession practicing under the same or similar circumstances.

CORPORATE PROTECTION: It must be agreed to by all parties affiliated with this agreement that the services provided by the Consultant that are in any way connected to this project shall not connect Consultant's employees, owners, directors, or officers to any personal exposure for risks associated with any portion of this project. Therefore, and not withstanding anything to the contrary that may be contained herein or in any other document related to this project, the Client, future owners, future users, and/or any other trade or professional, agrees that as the sole and exclusive remedy for any claim, demand, or suit shall be directed and/or asserted against the Consultant, a Colorado Corporation, and not against any of GROUND's employees, owners, officers, or directors.