

March 13, 2025

Amanda Knoll  
City Manager  
City of St. James  
1205 6th Avenue South  
St. James, MN 56081

RE: Proposal for Independent Fee Estimate Services  
6 Unit T-Hangar Design & Bid Administration  
St. James Municipal Airport

Dear Ms. Knoll

Sambatek, LLC. is pleased to submit our proposal to complete an Independent Fee Estimate (IFE) for the proposed 6 Unit T-Hangar Design & Bid Administration project. This proposal will define our scope of work and fee for the Independent Fee Estimate required of this project.

**Sambatek Scope of Services**

To complete an IFE in accordance with FAA Advisory Circular 150/5100-14 Architectural, Engineering, and Planning Consultant Services for Airport Grant Project.

**Assumptions**

The assumption made is that the scope of services provided has been reviewed and approved by the FAA and will be provided to Sambatek, LLC.

**Sambatek Fee**

The proposed work will be completed on a LUMP SUM basis of \$3,500.

Please let me know if you have any questions or require further information. We appreciate this opportunity to provide our professional services. If you find this proposal acceptable, please return to me a signed and dated copy of the General Agreement attached to this proposal.

Sincerely,  
Sambatek, LLC.



Dan Mattison  
Client Service Manager

Attachment: General Agreement Between Sambatek, LLC. and City of St. James for Professional Services

**GENERAL AGREEMENT BETWEEN SAMBATEK, LLC  
AND OWNER FOR PROFESSIONAL SERVICES**

The Agreement ("**Agreement**") is made as of March 13, 2025, by and between City of St. James, MN, herein referred to as ("**Owner**") and Sambatek, LLC, 12800 Whitewater Drive, Suite 300, Minnetonka, Minnesota 55343, Phone: 763-476-6010, Fax: 763-476-8532, herein referred to as ("**Consultant**") to provide professional engineering ("**Services**") by Consultant in connection with the following project ("**Project**"): Independent Fee Estimate.

**SCOPE AND DESCRIPTION OF SERVICES ("SCOPE OF SERVICES")**

Please see the attached proposal letter dated March 13, 2025

**PERIOD OF SERVICE**

The Services described under Scope of Services shall be completed as expeditiously as possible based upon the circumstances. The parties agree that absent an excusable delay, the Services shall be completed within thirty (30) calendar days of Owner's written approval to proceed, or as indicated under Scope of Services concerning completion of various phases of the work.

**COMPENSATION**

Consultant shall be paid for Services provided in accordance with the following method, plus reimbursable expenses including, but not limited to, print and plotting charges, Fed Ex, UPS, messenger delivery charges, mileage, plus all taxes (including sales taxes), fees, imposts, or stamps required by State, Federal, Municipal, or other government agencies in the providing of Services, if applicable: This project will be billed as a Lump Sum Fee of \$3,500.

Consultant will submit bills to Owner monthly, and Owner agrees to pay all bills within thirty (30) days of receiving same. Any invoice not paid within 30 days of the invoice date shall bear interest at the lower of 1.5% per month or the highest rate permitted by applicable law on the unpaid balance.

If Owner fails to pay any amount by the applicable due date, Consultant shall have the right to suspend work and withhold deliverables until payment in full, including interest, is received. Consultant shall have no liability whatsoever to Owner for any costs or damages that result from such suspension, and Consultant shall be entitled to reimbursement of all costs incurred while work is suspended. If Consultant resumes services after payment by Owner, the time schedule and fees for remaining Services shall be equitably adjusted.

If Owner fails to pay any amount by the applicable due date, Consultant shall have the right to commence collection efforts, and all collection costs incurred by Consultant shall become immediately due and payable to Consultant as such collection costs are incurred. Collection costs include, but are not limited to, legal fees, collection agency fees, court costs, and reasonable staff costs for Consultant's staff time spent in efforts to collect the overdue balance.

Owner's failure to pay Consultant in accordance with this Agreement shall constitute a material breach of this Agreement and shall be cause for Consultant to suspend performance or terminate this Agreement.

Owner hereby acknowledges that sufficient funds are currently available and assigned to pay for the cost of Services contemplated by this Agreement. Consultant has the right, at its sole discretion, to stop work and withhold work product or Services if payments have not been received within thirty (30) days of invoicing date.

If the Services are suspended by Owner for more than thirty (30) calendar days, consecutive or aggregate, Consultant shall be compensated for Services performed prior to such suspension. When the Services are resumed, Consultant shall be compensated for time and expenses incurred in the interruption and resumption of Services. Consultant's fees for the remaining Services and the time schedules shall be equitably adjusted.

**CHANGE ORDERS**

In the event of any changes in the Scope of Services, Owner delay or event of Force Majeure, Owner agrees to issue a written Change Order ("**Change Order**") to equitably adjust Consultant's fees and the time of performance. If Consultant is caused to increase its Scope of Services and Owner does not issue a Change Order that is acceptable to Consultant, compensation for the expanded Scope of Services shall be on an hourly basis according to Consultant's then-current standard rate schedule ("**Rate Schedule**"), plus reimbursable expenses.

An "Owner Delay" shall be a delay caused by the Owner failing to make timely decisions, or by an Owner hired contractor or consultant not timely completing work upon which Consultant's work is dependent. "Force Majeure" is defined below in Miscellaneous Paragraph G.

**OWNER'S RESPONSIBILITIES**

Owner agrees to provide to Consultant in a timely manner all available information, requirements, and limitations relevant to Consultant's performance of its Scope of Services, including, but not limited to, objectives, schedule, constraints and criteria, space requirements, flexibility, expandability, special equipment, systems, and site requirements. Consultant may rely on the accuracy of the Owner's supplied information and use such information in the development of Consultant's Scope of Services. The accuracy of the Owner's information is the Owner's responsibility.

Owner shall render decisions in a timely manner pertaining to documents submitted by Consultant to avoid unreasonable delay in the orderly and sequential progress of the Services. Owner shall furnish the services of other consultants when such services are requested by Consultant and are reasonably required by the scope of the Project.

Owner shall furnish right-of-way entry and continuous unimpaired access to the entire Project site for Consultant to perform its Scope of Services.

#### **INDEMNIFICATION**

To the fullest extent permitted by law, subject to the limitations set forth below in this Agreement, Owner and Consultant shall indemnify and hold harmless the other and its respective directors, officers, employees, agents, and representatives from and against all legal liability for claims, losses, damages, and expenses to the extent such claims, losses, damages, or expenses are legally determined to be caused the indemnitor's negligent acts, errors, or omissions. Neither party shall have a duty to defend the other party, and no duty to defend is created by this Agreement.

#### **LIABILITY LIMITATION**

Owner and Consultant have evaluated the parties' relative risks and benefits 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 employees and sub-consultants) to Owner for all injuries, damages, claims, losses, or expenses (including attorney fees and expert fees) arising out of Consultant's services or this Agreement is limited to Consultant's project fee or \$50,000, whichever is less, and Owner agrees to hold Consultant harmless for any liability more than such amount. This limitation shall apply regardless of available insurance coverage, cause(s), or the theories of liability, including, but not limited to, breach of contract, negligence, contribution, indemnity, or other remedies.

#### **STANDARD OF CARE**

Consultant will perform the Services in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions in the same locale. EXCEPT AS SPECIFICALLY STATED HEREIN, 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, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

#### **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, COSEQUENTIAL, INDIRECT, PUNITIVE, OR EXEMPLARY DAMAGES.

#### **LIEN NOTICE – ONLY APPLICABLE TO PROJECTS IN MINNESOTA**

- A. ANY PERSON OR COMPANY SUPPLYING LABOR OR MATERIALS FOR THIS IMPROVEMENT TO YOUR PROPERTY MAY FILE A LIEN AGAINST YOUR PROPERTY IF THAT PERSON OR COMPANY IS NOT PAID FOR THE CONTRIBUTIONS.**
- B. UNDER MINNESOTA LAW, YOU HAVE THE RIGHT TO PAY PERSONS WHO SUPPLIED LABOR OR MATERIALS FOR THIS IMPROVEMENT DIRECTLY AND DEDUCT THIS AMOUNT FROM OUR CONTRACT PRICE OR WITHHOLD THE AMOUNTS DUE THEM FROM US UNTIL 120 DAYS AFTER COMPLETION OF THE IMPROVEMENT UNLESS WE GIVE YOU A LIEN WAIVER SIGNED BY PERSONS WHO SUPPLIED ANY LABOR OR MATERIAL FOR THE IMPROVEMENT AND WHO GAVE YOU TIMELY NOTICE.**

#### **DISPUTE RESOLUTION**

If a claim or dispute arises out of or relates to Consultant's Services or this Agreement, the parties shall attempt in good faith to settle such claim or dispute through direct discussions.

Any claim or dispute arising out of or related to Consultant's Services or this Agreement (except for collection procedures employed by Consultant and those waived or barred as provided elsewhere in this Agreement) that is not resolved by direct discussions shall be submitted to mediation as a condition precedent to the institution of legal or equitable proceedings by either party. Either party may file a request for mediation. Mediation shall be pursuant to the Construction Industry Mediation Rules of the American Arbitration Association. The Mediator shall be selected by the parties within fifteen (15) days of the request for mediation. Mediation shall proceed in advance of legal or equitable proceedings, which shall be stayed pending the conclusion of mediation for a period of sixty (60) days from the date of filing, unless stayed for a longer period by agreement of the parties or by court order. The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in Minneapolis, Minnesota.

Notwithstanding the foregoing, if a claim or dispute between the parties involves, relates to, or is the subject of a mechanic's lien or construction lien arising out of Consultant's Services, Consultant may proceed in accordance with applicable law to comply with all statutory requirements, including

those related to lien notice and filing deadlines, prior to the commencement or conclusion of mediation or other form of alternative dispute resolution agreed to by the parties.

### **TERMINATION**

Owner may terminate this Agreement for convenience and without cause upon twenty-one (21) calendar days written notice.

Either party may terminate this Agreement for cause upon ten (10) calendar days written notice for one or more of the following reasons:

1. The other party's material breach of this Agreement;
2. Assignment of this Agreement without the written consent of the other party;
3. Suspension of the Project or Consultant's Services for more than thirty (30) calendar days, consecutive or aggregate;
4. Material changes in the conditions under which this Agreement was executed, the Scope of Services, the nature of the Project, or the failure of the parties to reach an agreement on compensation and/or scheduling adjustments necessitated by such changes.

In the event of termination of this Agreement by either party, regardless of the reason for termination, Owner shall, within fifteen (15) days of termination, pay Consultant in full for all services rendered and costs incurred by Consultant up to the date of termination. Additionally, and notwithstanding any language in this Agreement to the contrary, within sixty (60) days of termination, Owner shall reimburse Consultant for all expenses incurred by Consultant in connection with the orderly termination of this Agreement, including, but not limited to, demobilization, reassignment of personnel, associated overhead costs, and all other expenses resulting from the termination.

### **INSURANCE**

Consultant shall carry the following insurance:

Workers Compensation	Statutory
Employers Liability	\$1,000,000
General Liability	\$1,000,000 Each Occurrence/ \$1,000,000 Aggregate
Automobile Liability	\$1,000,000 Combined Single Limit
Professional Liability	\$3,000,000 Per Claim/ \$3,000,000 Annual Aggregate

General liability shall name the Owner as an additional insured. The insurer agrees to give 30 days written notice in the event of cancellation by the insurer (10 days written notice for non-payment of premium).

### **MISCELLANEOUS**

#### **A. WORK PRODUCT / DOCUMENT OWNERSHIP**

Unless Owner requests otherwise, Consultant will provide its documents and materials in an electronic format. Because electronic documents may be modified intentionally or inadvertently, Owner agrees that Consultant will not be liable for any losses or damages resulting from any change in an electronic document after Consultant transmits it to Owner. The documents prepared by Consultant for this Project are instruments of Consultant's Services for use solely with respect to this Project and, unless otherwise provided, Consultant shall be deemed the owner of these documents and shall retain all common law, statutory and other reserved rights, including copyright. If Owner has paid Consultant in full for its Services, Owner shall be permitted to retain copies, including reproducible copies, of Consultant's documents for Owner's information, reference and use in connection with the Project. Consultant's documents shall not be used by the Owner or others on other projects, for additions for this Project or for completion of this Project by others, except with Consultant's agreement in writing and with appropriate compensation to Consultant. In consideration of Owner's use of Consultant's work product and documents, Owner shall, to the fullest extent permitted by law, indemnify, defend and hold harmless Consultant, its directors, officers, agents, and employees from all claims arising out of the reuse or misuse of such work product or documents.

#### **B. HAZARDOUS MATERIALS**

Owner represents to Consultant that no hazardous materials exist at the Project site. If there are hazardous materials at the Project site, the Owner must inform Consultant of the type, quantity, and location of such hazardous materials. If hazardous materials are discovered at the Project site then Consultant's will notify the Owner and, to the extent required by law, notify the appropriate governmental authority. If Consultant or any other entity encounters hazardous materials at the Project site then Consultant may without any liability to Owner or any other entity suspend services until such time as Owner retains the appropriate entities to identify and (as appropriate) abate, remediate, or remove the hazard material. Owner agrees that Consultant has been retained to perform professional services and shall not be required to become an arranger, operator, generator, or transporter of hazardous material (as defined by law). Owner hereby agrees to defend, defend, and hold harmless Consultant for all claims losses and damages arising out of the existence of hazardous materials on the Project site.

C. UNDERGROUND UTILITY AND STRUCTURE CLEARANCE

Owner acknowledges that borings, excavations, and other penetrations that are part of the Services, if any, must be located at safe distances from underground utilities or other man-made objects. Owner shall advise Consultant of all utilities that service or are located on the Project site and any underground improvements located on the Project site. Prior to any drilling that is part of the Scope of Services, Consultant will contact state notification centers, where available, or individual utility providers where a state notification center is not available. Consultants shall be entitled to rely on the information provided by locating vendors. If public utility owners do not provide the locating service on private property or the property owner has private underground improvements that cannot be cleared through state notification center or public utility owners, Owner shall be responsible for location of such utilities prior to drilling, or for payment of a private utility clearance subcontractor. Consultant will not be responsible for any damages to underground utilities/improvements not located or incorrectly identified by the foregoing location methods.

D. THIRD-PARTY RELIANCE

All Services provided by Consultant are for Owner's and Consultant's sole benefit and exclusive use with no third-party beneficiaries intended. Reliance upon the Services and any work product is limited to Owner and is not intended to benefit any third party.

E. CONSTRUCTION SERVICES

If, under this Agreement, Services are provided during the construction phase of the Project, Consultant shall not be responsible for or have control over means, methods, techniques, sequences, or procedures, or for safety precautions or programs in connection with the work, nor shall Consultant be responsible for a contractor's failure to carry out the work in accordance with the contract documents or for a contractor's failure to comply with applicable laws, ordinances, rules, or regulations.

F. JOB SITE SAFETY

Neither the Services of Consultant, nor the presence of Consultant at the construction/Project site, shall relieve Owner, general contractor(s), or subcontractor(s) of any of their responsibilities or duties to perform the work in strict accordance with the contract documents and to comply with all health and safety precautions required by any regulatory agency. Consultant does not have authority or responsibility to control any construction contractor or its employees in connection with their work or any health or safety programs or procedures. Owner agrees that contractors and subcontractors are solely responsible for job site safety and warrants that this intent shall be carried out in Owner's contracts with contractors. Owner also agrees that Owner and its contractor(s), jointly and severally and to the fullest extent permitted by law, shall defend, indemnify, and hold harmless Consultant and its employees against any liability related to health, injury, or job site safety.

G. FORCE MAJEURE

To the extent any time for performance by or Owner applies, the affected party shall not be responsible for any delays due to federal, state or municipal actions or regulations, acts of foreign governments, strikes or other labor shortages, equipment or material delays or shortages, delays in issuing applicable permits, acts or omissions of Owner, inclement weather, pandemic, acts of the public enemy, fires, floods, riots, embargos, other acts of God, Government shutdown, unforeseen site conditions or any other events or causes beyond the control of Consultant.

H. HEADINGS

The headings used in this Agreement are for convenience only and shall in no way define, limit, or describe the scope or intent of this Agreement or any part hereof.

I. ASSIGNMENT

Owner may not assign this Agreement without the written consent of Consultant.

J. TEAM RELATIONS

Owner and Consultant agree to work together based on trust, good faith, and fair dealing, and shall take all actions reasonably necessary to enable each other to perform this Agreement in a timely, efficient, and economical manner.

K. ENTIRE AGREEMENT

This Agreement represents and contains the entire agreement and understanding between the parties with respect to the subject matter of this Agreement and supersedes all prior oral and written agreements and understandings.

L. GOVERNING LAW

The Agreement shall be construed, interpreted, and enforced in accordance with the laws of the state in which the Project is located.

M. MODIFICATIONS

This Agreement may be modified only by a written instrument executed by both parties.

N. WAIVER

No delay or failure by either party to exercise any right or remedy under this Agreement, and no partial or single exercise of a right or remedy, will waive that or any other right or remedy.

O. SEVERABILITY

Any invalidity or unenforceability of all or part of a provision of this Agreement shall be severable and shall not affect the validity or enforceability of the remaining part of that provision or other provisions.

P. EXECUTION

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and together which shall constitute one and the same agreement. Signatures on this Agreement that are transmitted by fax, email or other electronic means shall be valid and binding.

IN WITNESS WHEREOF, the parties hereto have made and executed the Agreement as of the day and year first above written.

**City of St. James, MN**

**SAMBATEK, LLC**



\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Dan Mattison, Client Service Manager

\_\_\_\_\_  
March 13, 2025