



ROBINSONSM
NOBLE

a terraphase company

February 7, 2024

Gibbs & Olson, Inc.
Attn: Mike Marshall
1115 West Bay Drive NW, Suite 201
Olympia, WA 98502

sent via email to: mmarshall@gibbs-olson.com

Subject: Professional services for an evaluation of water rights alternatives for the City of Tenino

Dear Mike:

Thank you for taking the time to discuss the City of Tenino's water rights situation with me. Robinson Noble, a wholly owned subsidiary of Terraphase Engineering Inc., is pleased to provide this proposed scope of work and cost estimate to assist with the evaluation of the City's existing water rights and complete an investigation of the alternatives available to the City, including submitting a new application or purchasing and transferring a water right.

Background

The City of Tenino operates their own municipal water and sewer system. The water utility produces from three wells, though one is currently in emergency status. A search of the City's water rights indicates two certificates water rights and an inactive change application. The instantaneous withdrawal rate for the City's water rights totals 700 gallons per minute, the annual limit totals 466 acre feet, or approximately 290 gpm continuously. The City is interested in evaluating options for increasing their water right allocation.

Per our discussions, the City is considering purchasing and transferring a water right, though locating a valid certificate that is in the right location to facilitate a transfer may be a challenge. Alternatively, the City could apply for a new water right, but with the recent Foster decision, this is a more difficult path than it used to be. Tenino is located in WRIA 23, which has a current Watershed Management Plan and instream flow rules, including the closure of Scatter Creek to further appropriations.

Proposed Scope of Services

We will provide research and evaluation of water rights as requested, as well as investigate the potential for a new application for the City. We anticipate meeting with the City and discussing options and alternatives so that we understand their needs and concerns. It will also be necessary to meet with the Department of Ecology to assess the viability of a new water right application in light of the new mitigation criteria required under Foster.

Schedule

We understand that the City is anxious to get this effort started and can start our staff on the research immediately upon your authorization. Our more senior water right professionals are currently a bit busier but have sufficient time available to assist you and your client as required. As the exact scope of the project is yet to be determined, it is difficult to predict the total duration of this effort.

Cost Estimate

As this scope is by its nature open-ended, we can't provide a firm cost estimate. Based on a presumed level of effort of 24 hours of staff-level time for file research and 24 hours of principal-level time for meetings, evaluation of water rights, and meeting with Ecology, we have arrived at an initial limit of \$10,000 without additional authorization. Charges to this project will be on a time-and-materials basis according to the fee schedule in effect at the time of invoicing; the current fee schedule is attached. We included our current master services agreement (MSA) with this proposal. If the scope and cost estimate provided are satisfactory, please sign both the MSA and the "acceptance of proposal" block at the bottom of this proposal and return copies of each. Receipt of both documents will be considered as notice to proceed with the proposed work. Once received, we will sign and then return fully executed copies of the contract documents to you for your records.

Closing

We appreciate this opportunity to provide assistance to Gibbs & Olson and the City of Tenino. If you have any questions or comments regarding this submittal, please contact me at your convenience; mobile (253) 686-0319, office (253) 475-7711 x175, or michael.piechowski@terrphase.com.

Sincerely,
Robinson Noble/Terraphase Engineering Inc.



Michael F. Piechowski, LHG
Principal Hydrogeologist

Acceptance of Proposal

The cost, specifications, and conditions outlined herein are satisfactory and are hereby accepted. Terraphase is authorized to proceed with the work, as specified.

This proposal is hereby accepted by a duly authorized representative of the Client to whom it is addressed:

Signature: _____ Date: _____

Printed Name: _____

Title: _____

MASTER CONSULTING SERVICES AGREEMENT GENERAL TERMS AND CONDITIONS

Effective Date of Agreement: **Upon Signature**

This Agreement is entered into by and between:

Client: **Gibbs & Olson, Inc.**
Address: **1115 West Bay Drive NW, Suite 201**
City, State Zip: **Olympia, WA 98502**
Attention: **Mike Marshall**
Phone Number: **(360) 352-1120**

And

Consultant: **Terraphase Engineering Inc. or Robinson and Noble Inc. (wholly-owned subsidiary of Terraphase Engineering Inc.) (“Terraphase”)**
Corporate Address: **1300 Clay Street, Suite 1000**
City, State Zip: **Oakland, California 94612**
Attention: **Michael Piechowski**
Phone Number: **(510) 645-1850**

These General Terms and Conditions, Work Orders, and any addenda thereto (the “Agreement”) constitute the entire agreement between Client and Terraphase and supersede all prior or contemporaneous communications, representations, or agreements, whether oral or written, with respect to the subject matter, and has been induced by no representations, statements, or agreements other than those herein expressed. No agreement hereafter made between the parties will be binding on either party unless reduced to writing and signed by an authorized officer. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement.

This Agreement is effective as of the day and year first above written and duly executed by authorized representatives of Client and Terraphase.

For Client:

For Terraphase:

signature

signature

printed name

printed name

title

title

date

date

GENERAL TERMS AND CONDITIONS

1. WORK ORDERS AND AUTHORIZATION.

Terraphase Engineering Inc. or Robinson and Noble Inc., wholly-owned subsidiary of Terraphase Engineering Inc., (“Terraphase” or “Consultant”) agrees to perform consulting services (Services) for Gibbs & Olson, Inc. (“Client”) that are described in one or more Work Orders. Each Work Order will consist of a Scope of Work, an estimated budget to complete the Scope of Work, and a Schedule to complete the Scope of Work. Consultant will initiate the Services upon receipt of Client’s written approval of the Work Order. All Work Orders are acknowledged to be incorporated into and made a part of this Agreement.

It is understood and agreed by the parties that certain urgent conditions may arise in which it is beneficial to the Client for Terraphase to initiate Services based upon electronic-mail authorization of the Work Order provided by the Client. In such cases, those communications are acknowledged to be Work Orders incorporated into and made a part of this Agreement and Client agrees to compensate Consultant accordingly.

2. ADDITIONAL SERVICES.

2.1 All services that are not specifically included in the Work Order will be considered Additional Services. Upon request of Client, or discovery by Terraphase of changed or latent conditions affecting the cost and/or scope of the Services, Terraphase will prepare a description of the necessity for and the cost for such Additional Services which, upon written acceptance of Client, will be considered a change order (“Change Order”) under this Agreement.

2.2 In the event of an emergency, or when it is impractical for the parties to communicate in writing, Terraphase agrees to perform verbally authorized Additional Services up to a maximum of \$5,000 and Client agrees to compensate Terraphase accordingly. All Additional Services verbally authorized by Client will be governed by the terms of this Agreement and confirmed in writing as soon as possible.

3. COMPENSATION FOR SERVICES.

Client agrees to compensate Terraphase in accordance with the Work Order(s) which may be on a lump sum, unit cost, or time and materials basis, depending upon the nature of the Services and as described in the Work Order. Except for lump sum and unit cost pricing, Terraphase’s proposed price is its reasonable best estimate of the cost to perform the Services based upon information reasonably available to Terraphase at the time the Proposal is prepared. It is understood, however, that circumstances or conditions may arise during the performance of the Services that affect the project price which could not have reasonably been expected or foreseen despite the exercise of due care. Terraphase will notify Client as soon as reasonably possible in the event that Terraphase anticipates the actual project cost will exceed its time and materials estimate. Thereafter, the parties shall enter into a mutually acceptable Change Order.

4. INVOICES AND PAYMENT TERMS.

Invoices will be submitted to Client approximately every thirty (30) calendar days for Services set forth in the Work Order and associated Change Order(s). Lump sum projects will be billed as percentage complete during the billing period. Payment in full is due upon receipt of Terraphase’s invoice. If Client objects to all or any portion of the invoice, Client will notify Terraphase within five (5) business days from the date of receipt of invoice and must promptly pay the undisputed portion of the invoice. The parties will immediately make every effort to settle the disputed portion of the invoice. Terraphase may suspend services should Client fail to pay any undisputed invoices when payment is 60 days late upon reasonable notice to Client. Terraphase shall not be liable for any costs or damages that may result from any such suspension due to nonpayment. Terraphase will resume services upon payment in full of all late invoices. Upon resumption of services, the time schedule and compensation will be equitably adjusted to reflect any delay or additional costs caused by the suspension of Services.

5. STANDARD OF CARE.

Terraphase will perform the Services in a professional manner with the level of care and skill ordinarily exercised by other members of its profession currently practicing under similar conditions. Terraphase will use reasonable care to comply with applicable federal, state, local laws, ordinances, and/or regulations. No other representation, guarantee, or warranty expressed or implied is included in this agreement, or in any communication (oral or written), report, opinion, or document, and no other provision of this Agreement, or in any Proposal, report, or other work product, will impose any liability upon Terraphase in excess of this standard of care.

6. INDEMNITY.

6.1 Each party will defend, indemnify, and hold harmless each party and their agents and employees, from and against any claim, cost, expense, damages, fines, losses, or liability, including reasonable attorneys’ fees, caused by, arising out of, resulting from, or occurring in connection with the negligence or willful misconduct by either party, its subcontractors, agents, or employees, to the extent caused by the indemnifying party’s fault.

The prevailing party shall be reimbursed by the non-prevailing party for all costs (including attorney's fees) incurred by the prevailing party in enforcing or securing performance of any of the provisions of this Agreement.

6.2 Client recognizes that certain federal, state, or local laws or regulations provide that where multiple parties are considered responsible for any hazardous, toxic, radioactive, pollutant, irritant, or nuisance condition ("Condition"), each may be held liable for the Condition under the doctrines of joint and several liability or strict liability. Client agrees that it is not the purpose of this agreement that Terraphase be exposed to any liability arising out of any pre-contract Condition at the Site, the activities of others, or the non-negligent performance by Terraphase of the Services. Client agrees that Terraphase has not created nor contributed to the creation or existence of any Hazardous Substances (including, but not limited to any solid, liquid, or gaseous material that poses potential harm to human health or environmental quality or otherwise is so identified by any federal, state, or local law or regulation) at or related to the site or in connection with or related to this Agreement or any Services.

6.3 The compensation to be paid Terraphase for the Services is in no way commensurate with, and has not been calculated with reference to, the potential risk of injury or loss which may be caused by the exposure of persons or property to such Hazardous Substances. Therefore, Client shall defend, indemnify, and hold Terraphase, its officers, directors, employees, agents, and subcontractors, harmless from and against any and all claims, damages, fines, losses, and expenses, whether direct, indirect, or consequential, including, but not limited to, attorney's fees and court costs, arising out of, or resulting from the threatened or actual release of existing Hazardous Substances ("Release"), except to the extent that such Release is caused by the sole negligence or willful misconduct of Terraphase and/or its subcontractors.

6.4 Nothing contained within this Agreement shall be construed or interpreted as requiring Terraphase to assume the status of a generator, arranger, transporter, or as a storage, treatment, or disposal facility as those terms appear within applicable law. Client may request Terraphase to provide options for possible transportation and disposal alternatives for Client's use; however, Client acknowledges that as the "Generator" of such materials, it will select the transporter and disposal site for treatment or disposal of its Hazardous Substances and will be solely responsible therefore. Arrangements for the treatment, storage, transport, or disposal of any Hazardous Substances, made by Terraphase, are acknowledged as being made at the direction of the Client/Generator, solely and exclusively on Client/Generator's behalf and benefit.

7. INSURANCE.

Terraphase will maintain statutory Workers' Compensation Insurance; and General Liability, Automobile Liability, and Professional Liability, Contractors' Pollution Liability with minimum policy limits of \$1,000,000. Terraphase will name Client as additional insured on its General Liability, Automobile Liability, and Professional Liability, Contractors Pollution Liability policies.

8. LIABILITY.

8.1 Client recognizes that Terraphase has not, and cannot, reasonably compute the cost of unlimited liability into its compensation and that Client benefits by the exclusion of such costs in Terraphase's rates. Therefore, in consideration of the mutual benefits received by both parties, it is understood and agreed the liability associated with this Agreement will be proportionately distributed between the parties. Client and Terraphase further agree that the sole liability of Terraphase, and any of its affiliates (whether in contract, tort, negligence, strict liability in tort, by statute or otherwise) for any and all claims in any manner related to this Agreement, including the Services covered by this Agreement, shall be the payment of direct damages. These damages shall in no event (in the aggregate) exceed the fees received by Terraphase under this Agreement with respect to the specific Services involved, or applicable insurance limits specified herein, whichever is greater. Except for the specific remedies expressly identified as such in this Agreement, Client's exclusive remedy for any claim arising out of this Agreement or any other services provided by Terraphase shall be for Terraphase, upon receipt of written notice, to use commercially reasonable efforts to cure the alleged breach at its expense, or failing that, Terraphase will return the fees paid to Terraphase for the work related to the breach.

8.2 In no event shall either party be liable for any consequential, incidental, indirect, special or punitive damage, loss, or expenses (including, but not limited to, business interruption, lost business, lost profits, or lost savings) even if it has been advised of their possible existence. The allocations of liability in this Section are the agreed and bargained-for understanding of the parties, and Terraphase's compensation for the Services reflects these allocations.

8.3 It is expressly understood and agreed that, no principal, partner, manager, member, director, officer, shareholder, employee, corporate parent or affiliate, or agent of Terraphase or Client will be personally liable for any judgment or for breach under this Contract.

9. CONFIDENTIALITY.

9.1 Terraphase will retain as confidential all information, including, but not limited to, Client's intellectual property and data, delivered to it by Client ("Confidential Information") as specifically requested, and identified by Client. All written Confidential Information will be clearly labeled by Client as such, or for verbal information, identified as Confidential Information at the time of disclosure. Confidential Information may be disclosed to Terraphase's employees, subcontractors, legal advisors, or insurers to the extent that such parties have a) the need to know in order to complete Terraphase's obligations under this Agreement and b)

agreed to be bound to these provisions of confidentiality. However, nothing herein is meant to preclude Terraphase from disclosing and/or otherwise using Confidential Information when it is: a) known to Terraphase before being obtained from Client; b) generally available to the public through no fault of Terraphase; c) obtained from a third party who is not under any obligation of confidentiality to the Client; or d) disclosed following release by Client.

9.2 Terraphase and Client understand and agree that, consistent with its professional responsibilities and applicable law, Terraphase may be obligated to take action to protect public health, safety, or the environment, or to disclose to government regulatory agencies environmental conditions which are discovered during the course of providing Services under this agreement that pose an imminent threat to public health, safety, or the environment. Terraphase will notify Client prior to taking such action or disclosing such conditions to any government regulatory agency, if possible and legally permissible; except Terraphase will not be required to provide advance notice to Client if the time necessary to provide such notice may result in, or increase the risk of imminent harm, to person, property, or the environment, or may render Terraphase criminally or civilly liable under applicable law.

9.3 **THIRD-PARTY INFORMATION.** Terraphase is entitled to reasonably rely on the completeness and accuracy of any and all information prepared or provided by third parties or Client. Client will defend and indemnify Terraphase with respect to claims arising from Terraphase's reasonable reliance upon third-party information as set forth herein.

10. ENVIRONMENTAL SITE ASSESSMENTS.

Terraphase will perform environmental site assessment Services in accordance with generally accepted industry practices as defined in paragraph 5. Client recognizes, however, that such assessments are intended for the purpose of determining the potential for contamination through limited research and investigative activities and in no way represent a conclusive or complete site characterization. Client understands that site conditions may vary from the locations at which data is collected and statistical interpretation is commensurate with availability of the data and extent of the Services. It is understood and agreed, therefore, that Terraphase does not provide any guarantees, certifications, or warranties that a property is free from environmental contamination.

11. REPORTS AND RELIANCE.

11.1 All reports, drawings, plans, notes, memorandums, historical documents, designs, or specifications ("Reports") prepared by Terraphase pursuant to this Agreement shall be instruments of professional service. Such Reports are expressly prepared for the sole and exclusive use of Client in their entirety. Reuse of Terraphase's work product for other than their intended purpose, or if modified or in any way utilized, or transmitted to any unauthorized third party, shall be at user's sole risk.

Phase I Environmental Site Assessments are for the Client's use in their entirety, for a period not to exceed 180 days in accordance with the American Society for Testing and Materials' (ASTM's) "Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process" ASTM Designation E1527-21, Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process (2021). and/or the Code of Federal Regulations (CFR) 40 CFR Part 312 "Standards and Practices for All Appropriate Inquiries: Final Rule" dated November 1, 2005. After 180 days and prior to using the information contained herein, any Report(s) should be updated in accordance with ASTM standards and federal regulations. Reports may not be modified or used by any third party without Terraphase's advance written consent.

11.2 All Reports delivered to Client will become the property of Client upon final payment due Terraphase for the Services. Terraphase may retain copies of the Reports for its files. Terraphase will retain copies of reports for a minimum of 3 years following completion of the Services.

11.3 Notwithstanding any other provision to the contrary, Terraphase retains the right of ownership of any patentable or copyrightable concepts or inventions arising from its Services.

12. FORCE MAJEURE.

Terraphase shall not be liable to Client(s) or any other party for delays in performing the Services or for the direct or indirect cost resulting from such delays that may result from strikes, riots, war, terrorism, acts of governmental authorities, extraordinary weather conditions or other natural catastrophe, or any other cause beyond the reasonable control of Terraphase.

13. TERM AND TERMINATION.

13.1 The term of this agreement shall commence as the date and year first written above and shall continue in effect until terminated by either party as provided herein.

13.2 Client or Terraphase may terminate this Agreement for cause upon ten (10) business days advance written notice should the other party fail to substantially perform in accordance with the terms and conditions as set forth herein. The noticed party will have ten (10) business days following date of the notice to cure its default to the reasonable satisfaction of the other party. In the event of Terraphase's default, Terraphase will be paid for all services satisfactorily performed. Should Terraphase terminate this Agreement for Client's default, Terraphase will be paid for all Services satisfactorily performed prior to such notice of termination plus any reasonable and necessary costs incurred by Terraphase as a result of such termination.

13.3 Terraphase or the Client may, at its discretion, upon ten (10) business days advance written notice, terminate or suspend all or any portion of the Services for convenience. Upon receipt of a notice of termination or suspension, Terraphase will discontinue Services to the extent that they relate to the suspended portions of the Services. Client will pay Terraphase for the Services completed to the date of the termination or suspension, and if Contract is terminated by the Client, any additional reasonable and necessary costs incurred by Terraphase as a result of the termination.

13.4 This Agreement shall terminate, without notice, (i) upon the institution by or against either party of insolvency, receivership or bankruptcy proceedings or any other proceedings for the settlement of either party's debts, (ii) upon either party making an assignment for the benefit of creditors, or (iii) upon either party's dissolution or ceasing to do business. Upon ten (10) days' notice, Terraphase may terminate this Agreement in its sole discretion if any payment is not paid when due, there is a material change in Client's financial condition, initiation of any liquidation of all or part of its assets, or substantial failure to comply with its obligations under this Agreement.

13.5 Notwithstanding anything herein to the contrary, Client may instruct Terraphase to immediately suspend its services, in which case Terraphase shall take all reasonable steps to minimize all expenses relating to such suspension and shall advise Client of such expenses as soon as practical. Client shall nonetheless be responsible for third party and other expenses that cannot be saved in connection with the suspension of services, such as non-cancellable equipment rental costs and similar costs.

14. ALTERNATIVE DISPUTE RESOLUTION.

Unless otherwise mutually agreed by the parties, and except for applications for extraordinary or provisional remedies such as injunctive relief or specific performance, any unresolved claim, dispute or other matters in question between the parties will be resolved as follows: a) authorized senior representatives of Client and Terraphase will meet and attempt in good faith to resolve the controversy or claim; and, if unsuccessful, b) participate in non-binding mediation; and, if unsuccessful, c) submit the dispute to binding arbitration or other mutually acceptable binding alternative dispute resolution process. The substantially prevailing party in any arbitration will be entitled to recover any and all associated fees including reasonable attorneys' fees and costs. It is understood and agreed by the parties hereto that consequential, punitive damages or provisional relief cannot be awarded to either party under such alternative dispute resolution. Despite any statute to the contrary, any claim arising from or related to this Agreement (whether contract, tort or both) shall be noticed to the other party within two (2) years after it is discovered. The provisions of this section shall not apply to claims involving third parties or when Terraphase's insurer is assuming the defense and settlement thereof.

15. ASSIGNMENT AND SUBCONTRACTING.

This Agreement shall not be assigned by either party without advance written approval of the other party, which shall not be unreasonably withheld. Terraphase may subcontract portions of the Services without notice to qualified specialty subcontractors as needed. In the event this Agreement is assigned, the party to whom the assignment is made will assume all of the obligations, duties, and rights to the same extent as the party making the assignment.

16. NO WAIVER.

The failure of either party to insist on strict performance of any term hereunder will not be deemed as a waiver of any rights or remedies that such party may have for any subsequent breach, default, or non-performance or either party's right to insist on strict performance of this Agreement. No waiver is valid unless set forth in writing signed by the waiving party.

17. NOTICES.

All notices required to be given or made pursuant to any provision of this Agreement will be directed to Terraphase's Project Manager, Terraphase corporate headquarters, and Client's representative as designated by the means and in the format mutually acceptable to the parties.

18. ENTIRE AGREEMENT.

These General Terms and Conditions, Work Orders, Change Orders, and any addenda thereto (the "Agreement") constitute the entire agreement between Client and Terraphase and supersede all prior or contemporaneous communications, representations, or agreements, whether oral or written, with respect to the subject matter. Client acknowledges that it is entering into this Agreement solely on the basis of the agreements and representations contained in this Agreement, and that it has not relied upon any representations, warranties, promises, or inducements of any kind, whether oral or written, from any source, other than those that are expressly contained within this Agreement. No agreement hereafter made between the parties will be binding on either party unless reduced to writing and signed by an authorized officer. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement.

19. SEVERABILITY.

If a court or an arbitrator of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected.

20. GOVERNING LAW/VENUE

This Agreement shall be governed exclusively by the laws of the State of California regardless of its conflict of laws' provisions. Any litigation or any claim in any forum shall be heard exclusively in Alameda County, California.

21. SURVIVAL

The above terms and conditions regarding compensation, limitation of liability, indemnification, and dispute resolution shall survive the completion or termination of the Services under this Agreement.

22. FIELD TERMS AND CONDITIONS

22.1 **SITE ACCESS.** Client grants Terraphase, its employees, and its subcontractors, the right of entry to the project property to perform the Services. In the event that the Services must be performed on property not owned by Client, Client will directly obtain access authorizations from the owner or occupant of the property granting right of entry to Terraphase. Terraphase may, at Client's request, assist Client in securing access to property not owned by Client; however, all written access agreements will be in the name of Client. Terraphase's site access support services will be considered Additional Services if not included in the Work Order.

22.2 **SAFETY.** Terraphase will perform its Services in a safe manner and use reasonable care to comply with all applicable state and federal OSHA regulations. Terraphase's safety responsibilities, however, are limited solely to the activities of Terraphase, its employees, and its subcontractors. Neither the professional activities nor the presence of Terraphase or its employees or subcontractors will be deemed to control the operations of any others.

22.3 **UTILITIES AND SUBSURFACE CONDITIONS.** Terraphase shall not be liable for: (i) damage or injury to any subterranean structures (including, but not limited to, utilities, mains, pipes, tanks, and telephone cables) or any existing subterranean conditions; or the consequences of such damage or injury, if (with respect to this clause (i)) such structures or conditions were unknown and were not identified or shown, or were incorrectly shown, in information or on plans furnished to or obtained by Terraphase in connection with the Services; (ii) concealed conditions encountered in the performance of the Services; (iii) concealed or unknown conditions in an existing structure at variance with the conditions indicated by the Scope of Services or Work Authorization; or (iv) unknown physical conditions below the surface of the ground that differ materially from those ordinarily encountered and are generally recognized as inherent in work of the character provided under this Agreement. Client shall provide to Terraphase all plans, maps, drawings, and other documents identifying the location of any subterranean structures on the Site if available. Should: (i) concealed conditions be encountered in the performance of the Services; (ii) concealed or unknown conditions in an existing structure be at variance with the conditions indicated by the Scope of Services or Work Authorization; or (iii) unknown physical conditions below the surface of the ground differ materially from those ordinarily encountered and generally recognized as inherent in work of the character provided under this Agreement; then the amount of this Agreement and/or time for performance shall be equitably adjusted by change order upon timely notice.

22.4 **ASBESTOS AND MOLD INVESTIGATIONS.** Client acknowledges the act of sampling suspect asbestos-containing materials or mold may affect, alter, or damage mechanical equipment and/or building components at, in, or upon the site. Terraphase shall exercise due care when sampling but will not be liable for any effect, alteration, or damage arising out of the act of sampling. Terraphase will exercise reasonable efforts to limit damage to the site. The cost of restoration of the site because of any such damage has not been calculated or included in Terraphase's fees unless expressly stated in the Work Order.

23. SCHEDULE OF CHARGES.

Terraphase proposes to complete Work Orders and Change Orders conducted on a time-and-materials basis, in accordance with the attached Client Fee Schedule (Exhibit 1), unless expressly stated otherwise in the Work Order. Terraphase may adjust its hourly rates at the beginning of each calendar year, or within 90 days written notice to Client.



2024 Standard Schedule of Charges with 10% Discount/10% ODC

Labor Classification	Standard Hourly Rate	Hourly Rate with 10% Discount
Senior Principal	\$303	\$272.70
Principal Engineer/Scientist	\$286	\$257.40
Senior Associate Engineer/Scientist	\$266	\$239.40
Associate Engineer/Scientist	\$250	\$225.00
Senior Project Engineer/Scientist	\$235	\$211.50
Project Engineer/Scientist	\$219	\$197.10
Senior Staff 2 Engineer/Scientist	\$202	\$181.80
Senior Staff 1 Engineer/Scientist	\$183	\$164.70
Staff 2 Engineer/Scientist	\$164	\$147.60
Staff 1 Engineer/Scientist	\$144	\$129.60
Senior Technician	\$149	\$134.10
Technician 3	\$129	\$116.10
Technician 2	\$109	\$98.10
Technician 1	\$91	\$81.90
Senior Editor/Senior Project Coordinator	\$158	\$142.20
Editor 2/Project Coordinator 2/Accountant 2	\$140	\$126.00
Editor 1/Project Coordinator 1/Accountant 1	\$117	\$105.30
Administrator/Project Assistant/Billing Specialist	\$98	\$88.20

Labor Charges

All time will be recorded and charged to nearest 0.1 hour. Expert testimony at trials, hearings and depositions will be billed at 150% of the standard hourly rate. For each day when testimony is provided, a minimum of 8 hours will be billed. Preparatory time will be billed at standard rates.

Expenses

Subcontractor fees and other direct costs, such as air travel, project supplies and rental equipment, etc. will be itemized and billed at our cost plus a ten percent handling charge. Vehicle mileage when itemized is billed at the standard government rate in effect at the time of travel (www.gsa.gov/mileage).

Payment

Payment is to be made to Terraphase Engineering Inc. as follows:

Check Payments:	Wire/ACH Payments:
Terraphase Engineering Inc. P.O. Box 102399 Pasadena, CA 91189-2399	Terraphase Engineering Inc. JPMorgan Chase Bank Account Number 217693099 Routing Number 322271627

Payment is due within 30 days of receipt of invoice. A service charge of 1.5% per month or the allowable legal rate may be charged on amounts that are past due for more than 30 days.

Annual Escalation

Rates are subject to revision by annual calendar year escalation in January. Rates on invoices will reflect rates in effect at time of invoicing.