

September 17, 2015
File: MOP15142A

Mr. Bill Belknap
Community Development Director
City of Moscow
220 E. 2nd Street
Moscow, Idaho 83843

RE: **PROPOSAL**
Earthwork Observation and Testing
Excavation Backfilling
6th and Jackson Street
Moscow, Idaho

Greetings John and Bill:

Strata, A Professional Services Corporation (STRATA) is pleased to provide this proposal for construction material testing services to assist excavation backfilling for the proposed environmental remediation work to be accomplished at the southwest corner of the 6th and Jackson Street intersection in Moscow, Idaho. The following sections describe our project understanding, proposed scope of services, anticipated schedule, and fee estimate.

PROJECT UNDERSTANDING

Existing Site Conditions

The site is currently a relatively flat parcel approximately 0.8 acres in size covered with various weeds and grasses. The site has been previously developed with structures, which have been demolished and removed. We understand from previous explorations at the site that uncontrolled fill to varying depths exists across the site. Current site conditions are illustrated in *Photograph 1* below.



Photograph 1: 6th Street & Jackson Street – Moscow, Idaho

Proposed Construction

The City of Moscow (City) currently owns the property and is engaging negotiations with a prospective developer to purchase and develop the property for a mixed use improvement. As part of the City's sale agreement with the proposed developer, some environmental cleanup and removal of contaminated soil must be accomplished prior to the sale being completed. Therefore, the City has engaged Terregraphics Environmental Engineering, Inc. (TGI) to develop plans and specifications for removing and remediating contaminated soil and groundwater from the site.

From our discussions with John Munkers with TGI, we understand the proposed remediation will excavate and remove approximately 1,200 cubic yards of contaminated soil to be replaced with imported structural fill. The City and TGI retained STRATA to provide an earthwork specification section outlining requirements for backfilling the remedial excavation. We provided this specification on September 1, 2015 in fulfillment of Task 1, outlined in our June 15, 2015 proposal. Our opinion is, providing testing and observation during backfill placement and compaction will be critical to documenting construction is accomplished according to the project specifications. Preliminarily, we anticipate the backfilling process will be accomplished over approximately 1 week once it is initiated.

SCOPE OF SERVICES

Earthwork Observation and Testing

STRATA will provide a staff engineer or field professional to observe and document earthwork and compaction efforts during remedial backfilling per the specification provided as part of our Task 1 services outlined above. Compaction testing or observation will be performed on each lift of backfill fill as required by the project specifications. For material that is too coarse for testing per ASTM D1557, our field professionals will observe compaction methods. This includes observing each fill lift and documenting lift thickness, material type, compaction effort, and backfill surface conditions after compaction. Our personnel will sample on-site and imported materials used for backfill and transport these samples to our laboratory for Proctor testing.

ANTICIPATED SCHEDULE

Our construction testing services schedule will be coordinated with your selected contractor once they are selected and a project schedule is finalized. We anticipate these services will be completed within 1 week after being initiated.

ESTIMATED FEE

The following fee estimate is based on our understanding of the project concept at this time, and our discussions with you. Additional evaluation, exploration, testing, or other services outside of those described herein will increase these fees. However, we will not exceed these amounts without your prior written approval. Our fee estimates are provided in Table 1 below.

Table 1. Fee Estimates

Service Aspect	Time & Expense Estimated Fee
Earthwork Testing and Observation	\$1,925

LIMITATIONS

Our services do not include providing a final geotechnical evaluation for any future development at this site. Rather, a final geotechnical evaluation must be provided specific to the finished design and construction concept once it is developed. Also, our scope excludes civil design, structural design, dewatering system design, erosion, and sediment control design, stormwater



disposal design, off-site improvements, below-grade wall & retaining wall design, hazardous substance evaluation, environmental site assessment, or any other services not explicitly outlined in this proposal.

AUTHORIZATION

Our services will be provided according to the attached *General Conditions for GeoProfessional Services*. To authorize our services, please sign the attached *General Conditions*, returning a copy for our records. Alternatively, please issue a *Task Order* referencing a *Master Services Agreement* between the City and STRATA for our review.

We appreciate the opportunity to continue our professional relationship with the City of Moscow on this project. If you have any questions or would like or comments regarding this proposal, please call us.

Sincerely,
STRATA



Andrew J. Abrams, P.E.
Project Engineer

AJA/TJW/AC

Enclosures: General Conditions for GeoProfessional Services



Proposal No./Date:	MOP15142A / September 17, 2015	Client Name:	City of Moscow c/o Mr. Bill Belknap
Project Name:	6 th & Jackson Development	Project Location:	Moscow, Idaho

STRATA, A Professional Services Corporation

GENERAL CONDITIONS FOR GEOPROFESSIONAL SERVICES

SCOPE OF SERVICES. Strata, A Professional Services Corporation (hereinafter "STRATA") shall perform the scope of services detailed in project-specific Task Orders referencing this Agreement. STRATA shall prepare a project-specific Task Order for each project to be performed under this Master Services Agreement. This Agreement may only be amended in writing and with the consent of both parties. This Agreement is for projects that are initiated in 2015 and the Agreement can be renewed annually with the consent of both parties. STRATA can provide different levels of comprehensiveness in our services for a corresponding increase or decrease in our fees as discussed below in the *Levels of Service* section.

STANDARD OF CARE. STRATA will perform our services using the customary care and skill employed by competent professionals performing similar services under similar circumstances in the project area, subject to any limitations or exclusions contained in our proposal or the scope of our services under this Agreement. STRATA is not responsible for the work or services performed by others, nor are we responsible for the safety of any persons or property, other than the safety of our own employees. STRATA does not warrant or guarantee our services.

EVOLVING TECHNOLOGIES. The investigation, characterization, and remediation of hazardous wastes involve technologies, which are rapidly evolving. Existing state of the art technologies are often new and untried and future technologies may supersede current ones. In addition, standards for remediation, statutes, and regulations change with time. Client understands and assumes the risk that STRATA's recommendations can only reflect current technologies and standards, and may differ from the recommendations that might be made at a later time.

LEVELS OF SERVICE. STRATA offers different levels of consulting services to suit the desires and needs of Client. Investigative services are based on limited samplings and inferences from limited data, and may not provide a complete or accurate characterization of the actual conditions existing at the Project site. STRATA will use prudent professional judgment in making inferences from limited data, but we do not warrant or guarantee the opinions reached. The possibility exists that any investigation may not reveal all environmental or geotechnical concerns that exist at the site. Generally, a more detailed and extensive scope of services is likely to yield more information and reduce the potential for undetected environmental or geotechnical concerns to occur, but at an increased investment.

Client must determine the level of service adequate for their purposes by reviewing the scope of services in our individual Task Order specific to each project and determine that you do or do not need or want a greater level of service than stated in the Task Order. By signing the Agreement and individual Project Task Orders, Client acknowledges that it has reviewed STRATA's scope of services and agrees that it is reasonable and acceptable for the Project. Industry associations and trade groups have published differing, and sometimes conflicting guidelines for the preparing site assessments and studies. In many instances, these guidelines provide an investigation level, which differs from current practice, or the scope of services that client has agreed to have STRATA perform. Unless otherwise specifically stated in writing, the investigative services will not be performed in accordance with any particular written or published guidelines, but in accordance with the tasks listed in the scope of services.

CLIENT RESPONSIBILITIES. Client will identify a representative who is responsible for communications with STRATA and is authorized to act fully on Client's behalf. Before STRATA commences our services, Client agrees to provide: (1) a Project description; (2) the property location and a description; (3) property access; and (4) the specific location of any underground utilities, structures, and known or suspected hazardous materials. STRATA shall be entitled to reasonably rely on all information provided to it by Client. STRATA is not responsible for damage to underground utilities or structures which were not identified or otherwise made known to STRATA prior to beginning our services.

PROJECT DESIGN CONTINUITY. Construction monitoring is an important aspect of any project, part of the geotechnical or environmental design process, and allows confirmation of conditions observed during site exploration and verification that the design recommendations are followed. Performing the proposed scope of geotechnical design services is based on STRATA performing construction monitoring as the project is constructed. Acceptance of this Master Services Agreement and subsequent Project Task Orders will serve as evidence that you understand our requirement to perform the construction monitoring and agree to notify and retain STRATA to perform the construction monitoring for the projects when and where necessary. Further, if STRATA is not so notified or does not perform the construction monitoring for any other reason, you agree to defend, indemnify and hold harmless STRATA, its officers and affiliates and/or assigns from any and all geotechnical design and/or construction related claims, losses, damages or expenses, including reasonable attorney's fees, expert fees and other costs of defense.

INVOICES AND PAYMENT. STRATA will invoice for services in accordance with the terms of our proposal or on a monthly basis. All invoices are due on receipt and will be assessed a late payment charge of 1.5% per month if not paid within 30 days of the invoice date. If STRATA is not paid when due, we may suspend or terminate all services and Client agrees to return to STRATA all copies of any reports, plans, specifications or other documents prepared by STRATA under this Agreement and will not rely on these documents or use them in any fashion, including not bringing suit against STRATA. STRATA retains all rights to claim against performance bonds, lien project property and other measures to receive payment for services rendered.

CHANGED CONDITIONS. If, after executing this agreement, STRATA discovers conditions or circumstances not anticipated by us, we will promptly notify Client of the changed condition. Client agrees to negotiate an appropriate modification to this Agreement, including an appropriate modification to STRATA's fees. If STRATA and Client cannot agree on a revised scope of services or fee, either party may terminate this Agreement as set forth in *Termination and Suspension*.

HAZARDOUS MATERIALS. STRATA's services are limited to geotechnical engineering and/or environmental services and do not include investigation, detection, evaluation, or assessment of Hazardous Materials. Accordingly, our reports will not include any interpretations, recommendations, findings, conclusions, or opinions regarding Hazardous Materials. Client agrees to defend, indemnify, and hold STRATA harmless from any claims, liability, loss, or damage that arises from, or is alleged to arise from, Hazardous Materials. "Hazardous Materials" includes but is not limited to, any toxic, noxious, poisonous, radioactive, or irritating material, chemical, or gas, and includes biological materials such as bacteria, viruses, fungi, spores and mold, and the emissions from biological materials.

CERTIFICATIONS. STRATA will not execute any certification. STRATA's services are only an expression of our professional opinion based on the service STRATA performed for Client and are not a guarantee or warranty of any fact, condition, or result.

SAMPLES. If STRATA provides in-house laboratory testing, we will preserve unused or remnant samples until the requested laboratory testing has been completed and the results published to our client, at which time all non-contaminated, unused samples or sample remnants will be discarded. Any unused or remnant samples of material which fail to comply with project specifications will be retained for a period of five (5) working days beyond the date of publication of our laboratory test report to Client, unless specific instructions otherwise are received from Client. Additional fees may be incurred for reprocessing and/or storing unused samples or sample remnants. Samples contaminated with hazardous materials shall be promptly removed and lawfully disposed of by Client.

PARTY RELATIONSHIP. STRATA will perform our services as an independent consultant with our employees under our sole direction and control. STRATA will have the full power, discretion, and authority to select the means, manner, and method of completing our services for individual project tasks without detail, control, or direction. STRATA may subcontract for the services of others without obtaining Client's consent where STRATA deems it necessary or desirable to complete our scope of services.

NON-SOLICITATION. The parties agree that during the term of this contract and for a period of two (2) years after termination of this contract, for any reason, the parties shall not directly or indirectly, induce, engage, or encourage, or attempt to induce, encourage, or otherwise counsel, advise, ask, or offer any person who is, at the time, employed in any capacity by the other party, to leave the employ of the other party, or to accept employment with another employer, including but not limited to the other party, or to become an independent contractor, or to offer employment to or hire such person.

The parties agree that it would be impractical and very difficult to determine the amount of actual damages caused by a breach of this non-solicitation provision. Therefore, the parties agree that in the event it is established that there has been a violation of the non-solicitation provision, the violating party shall pay the other party, as liquidated damages the sum of twenty-two thousand dollars (\$22,000) for each breach.

SITE DISTURBANCE. In the normal course of our services, STRATA may cause surface and subsurface disturbance. Property restoration is not included in STRATA's scope of services unless specifically included in the proposal.



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Project Name:	6 th & Jackson Development	Project Location:	Moscow, Idaho

INDEMNITY. STRATA and Client agree to indemnify and hold each other harmless from and against claims, suits, liability, damages, and expenses (including reimbursement of reasonable attorneys' fees) to the proportionate extent caused by its negligent performance of services under this Agreement.

TERRORIST ACTIVITY. Client understands and agrees that STRATA is not responsible for damages to persons, property, or economic interests arising from Terrorist Activity. Client will indemnify, defend, and hold STRATA harmless against all third-party claims for such damages that arise from, or are alleged to arise from Terrorist Activity. The term "Terrorist Activity" means any deliberate, unlawful act that any authorized governmental official declares to be or to involve terrorism, terrorist activity, or acts of terrorism; or that involves the use or threat of force, violence, or harm to: (a) promote or advance a political, ideological, or religious cause or objective; (b) influence, disrupt, or interfere with a government; (c) intimidate, coerce, or frighten the general public; or (d) disrupt or interfere with any segment of a national economy.

RISK ALLOCATION. Client agrees to limit STRATA's total aggregate liability to Client and all third parties arising from any and all injuries, damages, claims, losses, expenses or claim expenses, including attorney's fees, arising out of or relating to this agreement based on any cause or any theory of liability, including, but not limited to negligence, errors or omissions, strict liability, breach of contract, breach of warranty, and claims for indemnification or contribution, such that STRATA's total aggregate liability per project, including but not limited to attorney's fees and costs, shall not exceed the percentage share of STRATA's fee as it relates to the Client's total fee or in the case of an owner, the total project value, up to a maximum of ten thousand dollars (\$10,000).

If Client wishes to increase this limitation amount, we can negotiate a higher limit in exchange for an appropriate fee increase to reflect the appropriate risk allocation. It is intended by Client and STRATA that this provision shall apply to the indemnity obligations set forth above. Client and STRATA agree that neither will be liable to the other for any consequential, liquidated, punitive, or incidental damages, except as specifically provided for in this agreement. Notwithstanding any period of limitations that might otherwise apply, the parties agree that no actions, claim, or proceeding of any kind, whether in tort, contract, or equity, arising out of STRATA's services, may be brought against STRATA more than 2 years after STRATA's last service date in connection with this project.

SURVIVABILITY. The indemnity obligations, limitations of liability, and assignment requirements established under this Agreement shall survive the expiration or termination of this Agreement. If STRATA provides additional services under this Agreement or any amendment to it, this Agreement's indemnity obligations and limitation of liability will apply to all such services.

NO JOINT AND SEVERAL LIABILITY. STRATA shall not be jointly or severally liable for any damage of any kind or nature, including loss or damage of any kind to land or any structures or other improvements planned, designed, constructed, or remodeled on the property which is the subject of this Agreement, or for any personal injury, including death, arising out of or resulting from any structural plan, design or construction, or the remodeling of any structure placed on the property which is the subject of this Agreement, unless and to the extent said loss or damage or injury is the direct and proximate result of the sole negligence of STRATA.

RELIANCE. STRATA's reports will be prepared for the exclusive use and reliance of Client. Reliance by any other party is prohibited without the written authorization of Client and STRATA. If Client is aware of additional parties that will require reliance on STRATA's reports, the names, addresses and relationship of these parties should be provided for STRATA approval prior to the time of authorization to proceed on each project. STRATA will grant reliance on the reports to those approved parties upon receiving a fully executed Reliance Agreement (available upon request). STRATA shall not be required to sign any other form of "reliance letter" or similar document as a condition of payment or for any other reason. If, after authorization to proceed on a project, Client and STRATA consent to reliance on one of STRATA's reports by a third party, STRATA will grant reliance upon receipt of a fully executed Reliance Agreement and receipt of an additional fee of four hundred fifty dollars (\$450) per relying party. Further, it is common that Phase I ESA deliverables are utilized to satisfy lending institutions such as those backed by the Small Business Administration (SBA). Unfortunately, the standard SBA reliance letter cannot and will not be executed by STRATA due to the undue risk and potential to void our insurance coverage which can incur significant and in our opinion, undue risks to Client recognizes and agrees to this limitation, which is not subject to future negotiation. Reliance on STRATA reports by Client and all authorized parties will be subject to all the terms, conditions, and limitations stated in this *Master Services Agreement*, the Reliance Agreement and the Reports.

TERMINATION AND SUSPENSION. Client or STRATA may terminate or suspend this Agreement within seven (7) days written notice delivered personally or by certified mail to the other party. In the event of termination, other than caused by a material breach of this Agreement by STRATA, Client shall pay for all of STRATA's services performed through the date of termination, and for any necessary services and expenses incurred in connection with the project's termination. STRATA shall not be liable to Client for any failure or delay in performance due to circumstances beyond STRATA's control.

DISPUTE RESOLUTION. No action may be instituted or prosecuted in any court related to any dispute arising from or in connection with this Agreement unless the party wishing to institute such action first demands in writing, and participates in good faith, in a non-binding facilitated mediation of the dispute. Each party will pay its own costs and fees of mediation, and the fees and costs of the mediator shall be shared equally between the parties. The mediation shall be conducted by a mutually agreed to mediator selected by the parties from the roster of civil mediators approved by the jurisdiction's Supreme Court or another mutually agreed upon mediator. In the event the parties cannot reach agreement on an approved mediator, either party may petition the local jurisdiction's District Court for the appointment of a qualified and approved mediator. A respondent's refusal to mediate relieves the other party from the mediation requirement.

CONTROLLING LAW. The laws of the State in which the project occurs will govern the interpretation and enforcement of this Agreement, and the venue for any legal dispute shall be in the county seat where the project is located.

INTEGRATION AND SEVERABILITY. The attached proposal and these General Conditions reflect the entire Agreement between STRATA and Client. If any portion of the Agreement is found to be void, such portion shall be stricken and the Agreement shall be reformed to as closely approximate the stricken portions as the law allows.

DOCUMENT OWNERSHIP. Provided STRATA is paid in full, we grant Client a non-exclusive license to use the Drawings, Specifications, Reports or other documents prepared by STRATA for this Project ("the Work"). STRATA owns the Drawings, Specifications, Reports, and other documents, including document copies. Any reuse or modification of the Work by Client or anyone obtaining it through Client will be at Client's sole risk and without liability to STRATA. Client will defend, indemnify, and hold STRATA harmless from all third party claims, demands, actions, and expenses (including reasonable attorney's fees, expert fees, and other costs of defense) arising from or in any way related to the reuse or modification of the Work by Client or anyone obtaining it through Client.

ELECTRONIC DELIVERABLES. In recognition of STRATA's sustainability efforts in the services we provide, STRATA may elect to provide our deliverables in electronic formats that may change from time to time but at a minimum may include: electronic mail, portable document format, flash drives, PowerPoint presentations or other reusable hardware devices. When notified in our proposed scope of services, Client agrees to accept deliverables in an electronic format, to not manipulate said format, and to reproduce deliverables in their entirety when necessary. Client further agrees to hold STRATA harmless from any misuse, loss, or other activity that compromises the deliverable intent.

ASSIGNMENT. During the term of this Agreement and following its expiration or termination for any reason, neither Client nor STRATA shall transfer, assign, convey, or sublet any right, claims, duty, or obligation under it, nor any other interest therein without the prior written consent of the other party.

GENERAL CONDITIONS ACCEPTANCE AND AUTHORIZATION TO PROCEED: If Client gives verbal authorization to proceed and does not object in writing to the General Conditions outlined above within 7 days, Client agrees to be bound by these terms.

Signature:  Printed Name: Bill Belknap Title: Executive Director Date: 10/15/15

