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June 7, 2019

Proposal No. P1-619-0787

Mr. Joseph Martinez
Director, Facilities Planning
Central Unified School District
4605 North Polk Avenue
Fresno, California 93722

Phone: (559) 260-1463
Email: josephmartinez@centralunified.org

Subject: **PROPOSAL FOR CONSTRUCTION TESTING & INSPECTION SERVICES**
MADISON ELEMENTARY SCHOOL MODERNIZATION 2
DSA FILE NO.: 10-23
DSA APPLICATION NO.: 02-116532
330 SOUTH BRAWLEY AVENUE
FRESNO, CALIFORNIA 93706

Dear Mr. Martinez:

SALEM Engineering Group, Inc. (SALEM) is pleased to submit this Proposal and Fee Estimate to conduct Construction Testing & Inspection Services for the Madison Elementary School Modernization 2 at the subject site located in Fresno, California.

1.0 PROJECT DESCRIPTION

It is understood that the project will include the modernization of Buildings A, B, C, D, E, F, G, H, J, and site work as follows: Modernization of an 144 square foot addition to Multi-Purpose Building J, including but not limited to new interior finishes, wall framing, concrete slabs and curbs, doors, windows, handrails, appliances, casework, roofing, installation of wheel chair lift, cooler and freezer, modification of staff restroom to ADA, electrical, mechanical, plumbing, and fire alarm system. Also, modernization of existing Classroom Buildings A through H, including but not limited to new interior finishes, wall framing, concrete slabs and curbs, doors, windows, casework, classroom accessories, modification of restrooms to ADA, electrical, mechanical, plumbing, and fire alarm system. Associate site preparation shall include but not limited to the removal of landscape and site appurtenances. Site work shall include but not be limited to the installation of concrete walks, modified landscaping, irrigation, chain link fencing and drinking fountains.

2.0 PURPOSE

The purpose of the Construction Testing and Inspection is to confirm that the proposed modernization and associated improvements are constructed in accordance with the approved plans and specifications.

It should be noted that a qualified soil engineer's representative should be present at the site during site preparation to observe site clearing, preparation of exposed surfaces after clearing, and placement, treatment and compaction of fill material. These observations should be supplemented with periodic compaction tests to establish substantial conformance with the engineering recommendations. Further, moisture content of the building pad (footings and slab subgrade) should be tested immediately prior to concrete placement.

3.0 SCOPE OF SERVICES

Services to be provided in conjunction with the Construction Testing and Inspection may include a combination of field observation and compaction testing, soil and concrete sampling, structural special inspections, and laboratory testing. We estimate that required tests and inspections during site preparation activities will include observations and compaction testing, and trench backfill compaction tests. Special inspections and testing include structural steel inspection, and concrete sampling and laboratory testing. The scope of services is intended to meet the requirements of the project DSA-103 form.

3.1 Field Observations, Special Inspection and Testing

Soil Compaction Testing

Measure the compaction of fill soils for compliance to recommended minimum percentages in building pads, trenches, roadways, and other backfilled areas utilizing the nuclear gage or tube method of testing. Perform compaction testing of aggregate base material in paved areas.

Post-Installed Anchor Inspection

Inspect the drilled hole diameter, depth, cleanliness of hole, and verify that it has been blown clean with compressed air and brushed with a wire brush, if required. Confirm that the anchor used conforms to the type and brand required by the approved plans and specifications. Perform torque testing of installed anchor to specified required load, if required.

Concrete Inspection and Sampling

Responsible for inspecting forms and excavations for cleanliness and stability prior to the concrete placement and verifying that the approved concrete mix design is used for the batched concrete and the water-cement ratio for each delivered load of concrete is per project specifications. Monitor the time limitation from freshly batched concrete to the placement. Perform slump measurements, temperature determinations, and mold concrete cylinder samples for compressive strength determinations. Inspect the placement and consolidation methods of the placement of concrete.

Field Welding Inspection

Perform material, filler metal, welding procedure specifications and welder certification verifications. During the welding process, continuously inspect multi-pass welding and full-penetration welds, and periodically inspect single pass fillet welds. Provide ultrasonic inspection as applicable after welding is complete.

High Strength Bolt Inspection

Includes verifying the wrench calibration procedure while present during the tightening of high strength bolts using the Calibrated Wrench method. Observe the wrench calibration procedure and that it is performed at least once each working day for each bolt diameter, length, and grade, using fastener assemblies that are being installed in the connections. Identify and sample high strength bolts for laboratory testing.

Shop Welding

Perform material, filler metal, welding procedure specifications and welder certification verifications. During the welding process, continuously inspect multi-pass welding and full-penetration welds, and periodically inspect single pass fillet welds. Obtain mill certifications for all structural steel.

3.2 Laboratory Testing

The laboratory-testing program would incorporate physical tests for the determination of soil moisture, density, and compressive strength. The following tests would likely be conducted:

- Laboratory Maximum Density/Optimum Moisture Determination
- Compressive Strength – Concrete

3.3 Compaction and Special Inspection Reports

Compaction testing reports will be submitted on a monthly basis. The reports will document our field and laboratory activities, including field observation and compaction testing. The report would be prepared and signed by a California Licensed Civil Engineer.

The special inspection reports will be submitted on a monthly basis, and at the completion of the project. The reports will include all field observations documented by our field inspectors. The report would be prepared and signed by a California Licensed Civil Engineer.

Laboratory compression tests of concrete will be submitted after the 28-day break. If desired, 7-day break will be submitted, as requested by the client. The reports would be prepared and signed by a California Licensed Civil Engineer.

4.0 SCHEDULE AND FEES

4.1 Schedule

Compaction and special inspection reports will be submitted on a monthly basis, and at the completion of the project. Laboratory compression tests of concrete will be submitted after the 28-day break. To expedite your construction effort, verbal results could be made, as data become available.

SALEM requires a minimum 48-hour notice for dispatch to perform inspections and field testing. We will make a diligent effort to schedule inspectors with shorter notice. The client is advised to inform their contractor(s) of this requirement to prevent delays due to improper scheduling.

4.2 Fees

Our fees for performing the aforementioned Scope of Services will be billed on time and material basis in accordance with the rates and unit test costs included within the attached Standard Field and Laboratory Fee Schedule (**see Attachment A**). Our Budgetary Fee Estimate for performing the aforementioned Scope of Services is **\$4,205.00** based upon the assumed durations included within our Project Fee Estimate (**see Attachment B**). Our work will be billed on-site time with a minimum of two (2) hours per visit, with increments of two (2) hours thereafter. Work over 8 hours and on Saturdays will be billed at 1.5 times the rates shown herein. Work in excess of 12 hours per day, on Sundays, Holidays, and over 8 hours on Saturday will be billed at 2.0 times the rates shown on Attachment A.

SALEM must be informed in writing and prior to full execution of the contract if the subject project is, all or in part, mandated under California Prevailing Wage and/or Davis Bacon jurisdiction. The Fee Estimate (Attachment B) includes California Prevailing Wage rates. In the event that the subject project is determined to be, all or in part, classified as a Davis Bacon project, including but not limited to any and all Off-Site work, the noted Fee Schedule (Attachment A) and Fee Estimate (Attachment B) shall be considered void.

Our Budgetary Fee Estimate is merely provided for budgeting and planning purposes, since our work is highly dependent upon the contractor and contractor's performance. The Budgetary Fee Estimate does not imply a maximum contract amount, but only the extension value of SALEM unit prices at the time of the initial request for services. Cost estimates associated with construction testing and inspection services are provided in good faith based upon construction drawings and schedules provided by the client and do not include client or contractor requested additional services, added time, jobsite cancellations, retests and/or re-inspections. If no construction documents are provided by the client for SALEM to utilize as a basis for our Budgetary Fee Estimate, SALEM will in good faith, provide a cost estimate based upon our experience with previously conducted projects with similar scopes of work. A more accurate estimate can be provided when a construction schedule becomes available.

Our invoices will be submitted on a monthly basis and will be billed in accordance with the rates and unit test costs included within the attached Standard Field and Laboratory Fee Schedule (see Attachment A). The Project Fee Estimate (Attachment B) assumes that the durations outlined therein will not be exceeded as scheduled by the general contractor. In the event that the project plans or geotechnical report require supplemental recommendations, our firm can provide the recommendations on an hourly basis based upon the engineering rates noted within Attachment A. Structural Observations are excluded from this proposal.

5.0 QUALIFICATION

SALEM is comprised of over 78 full-time Professional Engineers, Geologists, Environmental Professionals, Certified Technical staff, and qualified support staff. SALEM is a competent and accessible consulting engineering firm that solves challenges in an efficient, team oriented, and timely manner. Over the past ten years, SALEM has specialized in geotechnical engineering, environmental engineering, and most importantly construction testing and inspection services for various projects located throughout the state of California and the western United States. With each successful project completion, we have proven that high quality service need not be sacrificed while providing cost-effective engineering services. We have full capabilities to perform virtually all aspects of geotechnical engineering services, including initial soils and foundation investigations, geologic/seismic hazards studies, and environmental site assessments.

Our firm includes multi-disciplined Professional Engineers, special inspectors, and administrative staff that strive to provide efficient and dependable service. In addition to our field and office staff, our local Materials Laboratories include state of the art equipment utilized for testing of construction materials such as soils, concrete, aggregates, bituminous products, masonry, steel and other materials. SALEM is certified by Division of State Architect (DSA), Laboratory Evaluation and Acceptance Program (LEA) and the City of Los Angeles Department of Building and Safety. Our firm is also an active participant in the Cement and Concrete Reference Laboratory (CCRL) and AASHTO Material Reference Laboratory (AMRL) proficiency sample programs and laboratory inspection process. Our procedures, equipment, and personnel qualifications conform to the requirements as outlined in ASTM E-329.

All annually-required calibrations on laboratory equipment are performed by an outside agency and by SALEM Engineering's internal quality assurance program.

SALEM maintains licensure as professional engineer in California, Arizona, Nevada, Oregon, Washington, New Mexico, Texas, Utah, Alaska, Colorado, Hawaii, and Idaho. SALEM can provide responsive and reliable geotechnical engineering, environmental engineering, and construction testing and inspection services anywhere within the western united states at competitive pricing. The recommendations presented within our reports are made with careful consideration to applicable building codes and standards, as well as economic and cost-saving components to facilitate design and construction. As indicated by the sheer volume of retail projects completed for developers and large retail chains directly, SALEM has proven itself well-versed with individual design and development procedures specific to each client.

6.0 INSURANCE QUALIFICATIONS

SALEM maintains professional insurance to meet the requirements of our clients. In addition to our Professional Liability coverage of \$2,000,000, SALEM also carries General Liability of \$2,000,000 per occurrence and \$4,000,000 aggregate, and Umbrella Liability of \$5,000,000 each incident and \$5,000,000 aggregate. SALEM's Workers Compensation coverage is in the amount of \$1,000,000 per accident and our Commercial Automobile coverage is in the amount of \$1,000,000 per combined single limit.

7.0 CLOSING

We appreciate the opportunity to submit this proposal for your consideration and look forward to working with you on this project. Should you have questions regarding this proposal, please contact the undersigned at (559) 271-9700.

Respectfully Submitted,
SALEM Engineering Group, Inc.



Jesse Sangha, EIT
Staff Engineer
Testing & Inspections Division



Joshua S. Rhodes, PE, QSD/QSP
Vice President of Operations &
Director of Engineering Services
RCE No. 73231

ATTACHMENT A
PREVAILING WAGE FIELD AND LABORATORY FEE SCHEDULE

Soils, Aggregate, and Asphalt Inspection and Testing

Soils/Asphalt Technician	\$90.00 per hr.
Max Density/Opt. Moisture Test - ASTM D1557	\$145.00 per ea.
Max Density/Opt. Moisture Test - ASTM D698	\$145.00 per ea.
Max Density/Opt. Moisture Test - CAL216	\$145.00 per ea.
R-Value Test	\$195.00 per ea.
Sieve Analysis	\$95.00 per ea.
Sand Equivalent	\$115.00 per ea.
Expansion Index	\$195.00 per ea.
Plasticity Index	\$195.00 per ea.
Asphalt Maximum Density Test	\$290.00 per ea.
Asphalt Concrete Core Density	\$55.00 per ea.
Asphalt Gradation and Oil Extraction	\$355.00 per ea.
Asphalt Coring (two person crew)	\$250.00 per hr.

Concrete Inspection and Testing

ACI Concrete Sampling Technician	\$85.00 per hr.
ICC Inspector and Proof-Load Testing	\$90.00 per hr.
6"x12" Concrete Cylinder Compression Test	\$75.00 per set of 4
4"x8" Concrete Cylinder Compression Test	\$75.00 per set of 5
Concrete Cylinder Compression Test (ea. additional)	\$30.00 per sample
Reinforcing Steel Testing (Bend/Yield/Elongation)	\$125.00 per sample
Floor Flatness Testing	\$795.00 per day
Vapor Emission Test Kit	\$45.00 per kit
Relative Humidity Test Kit	\$75.00 per kit
Floor Slip and Gloss Testing	\$790.00 per trip
Concrete Coring (two person crew)	\$250.00 per hr.

Structural Masonry Inspection and Testing

ICC Inspector	\$90.00 per hr.
DSA Masonry Inspector	\$105.00 per hr.
Grout Compression Test	\$75.00 per set of 4
Mortar Compression Test	\$75.00 per set of 4
Masonry Prism Compression Test	\$125.00 per set of 3
Masonry Block Compression Test	\$360.00 per set of 3
Masonry Block Compliance Testing (ASTM C90)	\$425.00 per set
Masonry Core Shear Test	\$175.00 per set
Masonry Coring (two person crew)	\$275.00 per hr.



PREVAILING WAGE FIELD AND LABORATORY FEE SCHEDULE

Structural Steel Inspection

Shop Welding Inspector	\$55.00 per hr.
Field Welding/Bolting Inspector	\$95.00 per hr.
Ultrasonic Testing	\$105.00 per hr.
High Strength Bolt Tensile/Wedge/Hardness	\$750.00 per set of 3

Shear Wall and Roof Inspection

ICC Inspector or Registered Engineer	\$115.00 per hr.
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Engineering and Administration

Professional Engineer Review	\$145.00 per hr.
Project Manager	\$125.00 per hr.
Qualified SWPPP Developer	\$125.00 per hr.
Qualified SWPPP Practitioner	\$115.00 per hr.
Administrative Support	\$40.00 per hr.

Vehicle, Equipment, and Sample Pickup Charges

Vehicle/Equipment/Trip Fee	\$0.00 per trip
Sample Pickup and Delivery	\$15.00 per trip

General Terms:

- 1) SALEM invoices will be submitted on a monthly basis and will be billed on a time-and-materials basis in accordance with the above fees.
- 2) SALEM requires a minimum 48-hour prior notice for scheduling inspectors and/or technicians.
- 3) Inspection charges start at the scheduled show up time at the job site. There will be a minimum two (2) hour charge, with two (2) hour increments billed thereafter for any SALEM personnel present on a job site, batch plant, fabrication shop, etc.
- 4) Normal working hours are from 7:00 AM to 6:00 PM. Work performed over 8 hours per day, outside normal working hours, and on Saturdays will be billed at 1.5 times the above rates; Work in excess of 12 hours per day, on Sundays, Holidays, or over 8 hours on Saturday will be billed at 2.0 times the above rates.

**ATTACHMENT B - PREVAILING WAGE RATES
PROJECT FEE ESTIMATE (ASSUMED DURATIONS)**

PROJECT FEE SUMMARY (SEE BELOW BREAKDOWN)	
On-Site Earthwork Observation & Compaction Testing:	\$1,240.00
Reinforced Concrete Inspection and Testing:	\$1,355.00
Structural Steel Inspection:	\$300.00
Miscellaneous Inspection:	\$960.00
Engineering Review and Report Preparation:	\$350.00
TOTAL ESTIMATED FEE:	\$4,205.00

<u>On-Site Earthwork Observation & Compaction Testing:</u>	No. Units or Days	Hours Per Day	Unit/ Hourly Rate	Fees
Infill Slab Subgrade Compaction Testing	1	2	\$90.00	\$180.00
Equipment Pad Compaction Testing	1	2	\$90.00	\$180.00
Foundation Excavation Inspection	1	2	\$90.00	\$180.00
Site Underground Utility Backfill Testing	2	2	\$90.00	\$360.00
Flatwork Subgrade Testing	1	2	\$90.00	\$180.00
Soil Maximum Density Tests	1	-	\$145.00	\$145.00
Soil Sample Pickup	1	-	\$15.00	\$15.00
Vehicle/Equipment/Trip Fee	6	-	\$0.00	\$0.00
Total Estimated Fees This Scope:				\$1,240.00

<u>Reinforced Concrete Inspection and Testing:</u>	No. Units or Days	Hours Per Day	Unit/ Hourly Rate	Fees
Foundation Concrete Sampling	1	2	\$85.00	\$170.00
Building Slab Concrete Sampling	1	2	\$85.00	\$170.00
Concrete Walk Concrete Sampling	2	2	\$85.00	\$340.00
Reinforcing Steel Sampling and Tagging	2	2	\$55.00	\$220.00
Concrete Compressive Strength	4	-	\$75.00	\$300.00
Reinforcing Steel Testing (Bend/Yield/Elongation)	1	-	\$125.00	\$125.00
Concrete Cylinder Sample Pickup	2	-	\$15.00	\$30.00
Vehicle/Equipment/Trip Fee	6	-	\$0.00	\$0.00
Total Estimated Fees This Scope:				\$1,355.00

ATTACHMENT B - PREVAILING WAGE RATES (con't)
PROJECT FEE ESTIMATE (ASSUMED DURATIONS)

Structural Steel Inspection:	No. Units or Days	Hours Per Day	Unit/ Hourly Rate	Fees
Shop Welding Inspection	1	2	\$55.00	\$110.00
Field Welding/Bolting Inspection	1	2	\$95.00	\$190.00
Vehicle/Equipment/Trip Fee	2	-	\$0.00	\$0.00
Total Estimated Fees This Scope:				\$300.00

Miscellaneous Inspection:	No. Units or Days	Hours Per Day	Unit/ Hourly Rate	Fees
Epoxy/Post-Installed Anchor Inspection	2	2	\$90.00	\$360.00
Post-Installed Anchor Proof-Load Testing	1	2	\$90.00	\$180.00
Bacteriological Water Sampling	1	2	\$90.00	\$180.00
Bacteriological Water Analysis	4	-	\$60.00	\$240.00
Vehicle/Equipment/Trip Fee	4	-	\$0.00	\$0.00
Total Estimated Fees This Scope:				\$960.00

Engineering Review and Report Preparation:	No. Units or Days	Hours Per Day	Unit/ Hourly Rate	Fees
Professional Engineer Review	1	-	\$145.00	\$145.00
Project Manager	1	-	\$125.00	\$125.00
Clerical Staff (Report Preparation)	2	-	\$40.00	\$80.00
Total Estimated Fees This Scope:				\$350.00

CONTRACT

This Agreement is between **Central Unified School District**, hereinafter referred to as **CLIENT**, and **SALEM Engineering Group Inc.**, hereinafter referred to as **CONSULTANT**, for **Construction Testing and Inspections Services** to be provided by **CONSULTANT** for the **Madison Elementary School Modernization 2** located at **330 South Brawley Avenue in Fresno, CA**. **CONSULTANT** will render these services and **CLIENT** will compensate **CONSULTANT** in accordance with our proposal **P1-619-0787** dated, **June 7, 2019**, which is incorporated in full by this reference, including any exhibits or attachments noted in the proposal. **CLIENT** acknowledges that the proposal represents an estimate and approximation of the services to be provided and the costs associated therewith; neither payment nor services are limited by the proposal, which is **not** a maximum contract amount.

1. Services

CONSULTANT will perform services under this agreement as an independent contractor. The **CLIENT** recognizes the inherent risks connected with construction. **CONSULTANT**'s services under this Agreement include only those services specified in the proposal. **CLIENT** expressly releases any claim against **CONSULTANT** relating to any additional services that **CONSULTANT** recommended, but that **CLIENT** either did not authorize or instructed **CONSULTANT** not to perform. Where applicable, observations and standardized sampling, inspection and testing procedures employed by **CONSULTANT** will indicate conditions of materials and construction activities only at the precise location and time where and when services were performed. **CLIENT** recognizes that actual conditions at the subject property, or where applicable, conditions of materials and construction activities at other locations, may vary from those measured or observed by **CONSULTANT** when performing the services, and that conditions at one location and time do not necessarily indicate the conditions of apparently identical material(s) at other locations and times. Services of **CONSULTANT**, even if performed on a continuous basis, should not be interpreted to mean that **CONSULTANT** is observing, verifying, testing or inspecting all materials on the project. **CONSULTANT** is responsible only for those data, interpretations, and recommendations based solely on information available to **CONSULTANT** and will only be valid as of the date of observation. Furthermore, where applicable, **CONSULTANT** is only responsible for those data, interpretations, and recommendations regarding actual materials and construction activities observed, sampled, inspected or tested. **CONSULTANT** will not be responsible for other parties' interpretations or use of any information developed by **CONSULTANT**. However, **CONSULTANT** may make certain inferences based upon the information derived from these procedures to formulate professional opinions regarding conditions in other areas. **CLIENT** shall retain the responsibility for determining and scheduling the required tests and/or inspections. No claims for loss, damages or injury shall be brought against **CONSULTANT** by **CLIENT** or any third-party for testing and inspection services not performed due to the **CLIENT** or any other third-party failing to schedule the **CONSULTANT**. **CONSULTANT**'s work shall not include determining, supervising or implementing the means, methods, techniques, or procedures of construction. **CONSULTANT** shall not be responsible for job site safety or the evaluating and reporting of job conditions concerning health, safety or welfare of other parties.

2. Standard of Care

CONSULTANT will use that degree of care and skill ordinarily exercised, under similar circumstances, by reputable members of the profession practicing in the same or similar locality. It is understood that no warranty, either expressed or implied, is provided.

3. Site Access and Site Conditions

CLIENT will grant or obtain free access to the subject property for all equipment and personnel necessary for **CONSULTANT** to perform the work set forth in this Agreement. **CLIENT** will notify any and all occupants of the subject property that **CLIENT** has granted **CONSULTANT** free access to the subject property. **CLIENT** will furnish or cause to be furnished such reports, data, studies, plans, specifications, documents, and other information regarding surface and subsurface conditions required by **CONSULTANT** for proper performance of its services. **CONSULTANT** shall be entitled to rely upon **CLIENT**-provided documents and information in performing the services required under this Agreement. However, **CONSULTANT** assumes no responsibility or liability for their accuracy or completeness. **CLIENT**-provided documents will remain the property of the **CLIENT**. The **CLIENT** is responsible for accurately delineating the locations of all subterranean structures and utilities. **CONSULTANT** will take reasonable precautions to avoid known subterranean structures, and the **CLIENT** waives any claim against **CONSULTANT**, and agrees to defend, indemnify, and hold **CONSULTANT** harmless from any claim or liability for injury or loss, including costs of defense, arising from damage done to subterranean structures and utilities not identified or accurately located. In addition, **CLIENT** agrees to compensate **CONSULTANT** for any time spent or expenses incurred by **CONSULTANT** in defense of any such claim, with compensation to be based upon **CONSULTANT**'s prevailing fee schedule and expense reimbursement policy.

CLIENT hereby warrants that if **CLIENT** knows or has any reason to assume or suspect that hazardous materials/waste may exist at the subject property, **CLIENT** shall furnish or cause to be furnished to **CONSULTANT** all documents and information known to **CLIENT** that relate to the identity, location, quantity, nature or characteristics of the hazardous condition, material, or waste at, on, or under the subject property. **CONSULTANT** agrees to notify **CLIENT** when unanticipated hazardous materials or suspected hazardous materials are encountered. **CLIENT** agrees to make any disclosures required by law to the appropriate governing agencies regarding known releases of hazardous materials/wastes. **CONSULTANT** and **CLIENT** agree that the discovery of unanticipated hazardous materials/wastes constitutes a changed condition mandating a renegotiation of the scope-of-work or termination of services. **CONSULTANT** and **CLIENT** agree that the discovery of unanticipated hazardous materials may make it necessary for **CONSULTANT** to take immediate measures to protect health and safety. **CLIENT** agrees to compensate **CONSULTANT** for any equipment decontamination or other costs incidental to the discovery of unanticipated hazardous materials/wastes. Contaminated consumables will be disposed of and replaced at **CLIENT**'S expense. **CLIENT** also agrees to hold **CONSULTANT** harmless from any and all consequences of disclosures made by **CONSULTANT** which are required by governing law. In the event the project site is not owned by **CLIENT**, the **CLIENT** recognizes that it is the **CLIENT**'S responsibility to inform the subject property owner of the discovery of unanticipated hazardous materials/wastes or suspected hazardous materials/wastes. Notwithstanding any other provision of the Agreement, **CLIENT** waives any claim against **CONSULTANT**, and to the maximum extent permitted by law, agrees to defend, indemnify, and hold **CONSULTANT** harmless from any claim, liability, and/or defense costs for injury or loss arising from **CONSULTANT**'S discovery of unanticipated or suspected hazardous materials/wastes including any costs created by delay of the project and any cost associated with possible reduction of the subject property's value.

4. Hazardous Materials Risks

On projects relating to efforts to ascertain the presence or absence of hazardous substances or underground tanks, the level of effort may range from very limited observation and inquiry to extensive investigation and testing. The level of uncertainty with respect to opinions reached on such projects will vary, depending on the extent of the investigation, but some level of uncertainty will exist in every project. **CLIENT** recognizes that **CONSULTANT**'S failure to detect the presence of hazardous materials/wastes at a site, even though hazardous materials may be assumed or expected to exist, through the use of appropriate and mutually agreed upon sampling techniques, does not guarantee that hazardous materials do not exist at the site. Similarly, **CLIENT** recognizes that **CONSULTANT**'S subsurface explorations may not encounter hazardous materials/wastes at a site, which may later be impacted by hazardous materials/wastes due to natural phenomena or human causes. Where applicable, the **CLIENT** should recognize that any assessment services performed in support of this Agreement shall not be considered and/or construed as a comprehensive site characterization. The findings and conclusions in such reports will be predicated on the information obtained through conducting the services outlined in the written scope-of-work. It should also be recognized that the services performed should not be interpreted as a statistical evaluation of the subject property, but are rather intended to provide a preliminary indication of impacts to the subject property from the possible usage, generation, or releases of hazardous materials/wastes. If no significant indicators of the presence of contaminants are encountered during performance of **CONSULTANT**'S services, this does not preclude the presence of contaminants on the subject property. A statistical evaluation of the subject property would include a comprehensive sampling strategy and laboratory analysis of samples collected to provide a basis for

estimating the potential for the presence of contaminants with a numerical confidence value. The services shall only be deemed conclusive with respect to the tasks performed and the information obtained. No guarantee of the results of the services is implied within this contract. CLIENT agrees to waive any claim against CONSULTANT and agrees to defend, indemnify, and hold CONSULTANT harmless from claims or liability for injury or loss arising from CONSULTANT'S inability to detect the presence of hazardous materials/hazardous wastes through techniques commonly employed for this purpose.

5. Hazardous Materials Generation/Disposal

The CLIENT is considered the owner of contaminated materials and/or investigation-derived wastes that may be generated during CONSULTANT'S subsurface exploration or monitoring activities including, but not limited to, contaminated water or soil. It is understood and agreed that, unless specifically negotiated in writing, CONSULTANT is not, and has no responsibility as, a handler, generator, operator, treater or storer, transporter or disposer of hazardous or toxic substances found or identified at the subject property, and that CLIENT shall undertake, or arrange for, either directly or indirectly through subcontractors, the handling, removal, treatment, storage, transportation and disposal of hazardous materials/wastes or constituents thereof found or identified at the subject property. The costs associated with characterization and disposal of investigation-derived wastes shall be the sole responsibility of the CLIENT.

6. Samples

All samples will be disposed of or destroyed upon completion of testing unless CONSULTANT is otherwise advised. Upon written request, CONSULTANT will deliver samples to the CLIENT, or will store them for a period not to exceed 60 days for an agreed upon storage fee.

7. Risk Allocation

Many risks potentially affect CONSULTANT by virtue of entering into this Agreement to perform professional engineering services on behalf of CLIENT. The principal risk is the potential for human error by CONSULTANT. In order to obtain a lower fee from CONSULTANT, among other benefits, and in order for CONSULTANT to reduce its residual risk created by providing services to CLIENT, the CLIENT agrees to limit any and all claims for damages, costs of defense or other expenses or claims of liability or damages of whatever type, which are sought to be levied against CONSULTANT as the result of alleged negligent acts, errors and omissions on CONSULTANT'S part, such that the total aggregate liability of CONSULTANT to the CLIENT will not exceed CONSULTANT'S total fee for services rendered on this project or \$5,000, whichever is greater. CLIENT and CONSULTANT shall allocate certain of the other risks so that, to the fullest extent permitted by law, CLIENT shall limit CONSULTANT'S total aggregate liability to all the parties, including contractors, subcontractors of all tiers, materialmen, and others involved in the CLIENT'S project to the greater of \$10,000 or the total compensation received from CLIENT by CONSULTANT for services rendered on this project. CLIENT understands that dollar limits higher than those indicated may be available. If CLIENT wishes to negotiate other limits, and the resulting impact on CONSULTANT'S retained risk and fee, CLIENT shall notify CONSULTANT in writing. If CLIENT fails to notify CONSULTANT in writing prior to accepting this Agreement, through signature or, without signature, by verbally or in writing authorizing CONSULTANT to commence services, CLIENT shall be deemed to have accepted the limits indicated above. Limitations on liability and indemnities in this Agreement are business understandings between the parties voluntarily and knowingly entered into, and shall apply to all theories of recovery including but not limited to, breach of contract, warranty, tort (including negligence), strict or statutory liability, or any other cause of action, except for willful misconduct or gross negligence. The parties also agree that CLIENT will not seek damages in excess of limitations indirectly through suits with other parties who may join CLIENT as a third party, nor by an award or attorney's fees and costs to the prevailing party in excess of the aggregate liability agreed upon herein by the parties. Both CLIENT and CONSULTANT agree that they will not be liable to each other, under any circumstances, for special, indirect, consequential or punitive damages arising out of or related to this Agreement. This provision takes precedence over any other conflicting provisions of this agreement.

8. Insurance

SALEM maintains professional insurance to meet the requirements of our clients. In addition to our Professional Liability coverage of \$2,000,000, SALEM also carries General Liability of \$2,000,000 per occurrence and \$4,000,000 aggregate, and Umbrella Liability of \$5,000,000 each incident and \$5,000,000 aggregate. SALEM'S Workers Compensation coverage is in the amount of \$1,000,000 per accident and our Commercial Automobile coverage is in the amount of \$1,000,000 per combined single limit.

9. Claims by CLIENT

In the event the CLIENT makes a claim or brings any action against CONSULTANT for any act arising out the performance of these services, and the CLIENT fails to prove such claim or action, then the CLIENT shall pay all legal and other related costs and expenses incurred by CONSULTANT in defense of such claim or action.

10. Assignments

Neither party to this Agreement shall assign its rights, duties, and obligations hereunder without the prior written consent of the other party.

11. Payment

CLIENT will pay CONSULTANT the lump sum amount indicated in the proposal or, if no lump sum amount is indicated, in accordance with CONSULTANT'S Fee Schedule rates as included in the proposal and its attachments. CLIENT is responsible for payment of all fees in excess of SALEM'S original estimate regardless of the issuance of an approved change order. Invoices will be submitted to CLIENT by CONSULTANT, and will be due and payable upon receipt. If CLIENT objects to all or any portion of any invoice, CLIENT will so notify CONSULTANT in writing within fourteen (14) calendar days of the invoice date, identify the cause of disagreement, and pay when due that portion of the invoice not in dispute. The parties will immediately make every effort to settle the disputed portion of the invoice. In the absence of written notification described above, the balance as stated on the invoice will be paid in full.

Invoices are delinquent if payment has not been received within thirty (30) days from date of invoice. An administrative fee of 1.5% per month will be included for invoices over 30 days, excluding any portion of the invoiced amount in dispute and resolved in favor of CLIENT. All time spent and expenses incurred (including any attorney's fees) in connection with collection of any delinquent amount will be paid by the CLIENT to CONSULTANT, per CONSULTANT'S current fee schedule. In the event CLIENT fails to pay CONSULTANT within sixty (60) days after invoices are rendered, CLIENT agrees that CONSULTANT will have the right to consider the failure to pay CONSULTANT'S invoice as a material breach of this Agreement and CONSULTANT will have the right to stop all current work and withhold letters, reports, or any verbal consultation until the invoice is paid in full. If the CLIENT requests back-up data or changes to the format of the standard invoice, an administrative fee of \$200 per invoice may be charged plus \$5 per copy of back-up data.

CLIENT understands, acknowledges, and agrees that any failure or refusal by CLIENT to make payment to CONSULTANT in accordance with the provisions of this Agreement is a material breach of the Agreement, and is sufficient grounds for CONSULTANT to cease performance (including, but not limited to, refusing to transmit or provide reports or other deliverables to the CLIENT pending payment) under the Agreement and/or to terminate this Agreement in accordance with the Termination provisions stated herein. CLIENT further understands, acknowledges, and agrees that any failure or refusal by CLIENT to approve additional work (or change order) is sufficient grounds for CONSULTANT to cease performance (including, but not limited to, refusing to transmit or provide reports or other deliverables to the CLIENT pending approval) under the Agreement and/or to terminate this Agreement in accordance with the Termination provisions stated herein.

12. Termination

This Agreement may be terminated by either party seven (7) days after written notice in the event of any breach of any provision of this Agreement or in the event of substantial failure of performance by the other party, or if the CLIENT suspends the work for more than three (3) months. In the event of termination, CONSULTANT will be paid for services performed prior to the date of termination plus reasonable termination expenses, including the cost of completing analyses, records and reports necessary to document job status at the time of termination.

13. Binding Dispute Resolution

The parties shall submit all disputes, claims or demands of any kind relating to, or arising out of, this Agreement to binding arbitration in accordance with the rules and regulations of the American Arbitration Association (or other, mutually agreeable, private arbitrator). The prevailing party in arbitration shall be entitled to recover all reasonable costs incurred, including staff time, arbitration or court costs, attorney's fees, and other claim related expenses. Application may be had by any party to any court of general jurisdiction for entry and enforcement of judgment based on the arbitration award. The foregoing notwithstanding, either party may maintain, for the purpose of obtaining a provisional remedy or provisional relief, any underlying action or claim on which such affirmative relief may be based. The court, pending arbitration of claims, shall stay the prosecution of such party's underlying claims on which any provisional remedies or relief are based.

14. Warranty of Authority to Sign

The person signing this contract warrants that he/she has authority to sign on the behalf of the CLIENT for whose benefit CONSULTANT'S services are rendered. If such person does not have such authority, he/she agrees that he/she is personally liable for all breaches of this contract and that in any action against him/her for breach of such warranty, a reasonable attorney's fee shall be included in any judgment rendered.

15. Fair Construction

This Agreement will be construed as a whole in accordance with its fair meaning and without regard to California Civil Code Section 1654 or similar statutes.

16. Governing Law, Waiver and Survival

The law of the State of California will govern the validity of these terms, their interpretation and performance.

Waiver by either party of any breach of this Agreement, will not constitute a waiver of any subsequent breach of the same or any other provision. If any of the provisions contained in this Agreement are held illegal, invalid, or unenforceable, the enforceability of the remaining provisions will not be impaired. Risk allocation and indemnities will survive termination or failure of this Agreement for any cause.

The parties have read or had the opportunity to read the foregoing, including all attachments, addendums, and exhibits hereto, have had an opportunity to discuss the same, completely understand the terms, and willingly enter into this Agreement which will become effective on the date signed below.

17. Prevailing Wage Obligations

The CLIENT retains sole responsibility to inform CONSULTANT, in writing and prior to full execution of the contract if the above-referenced project is all or in part constitutes a "public work" under any and all federal, state, and/or local prevailing wage laws, and/or living wage laws, and/or ordinances, including but not limited to California Prevailing Wage laws, Davis-Bacon Act, the provisions of California Labor Code Section 1720 et seq., as well as any and all off-site work pursuant to California Streets and Highway Code 670.1. In addition, CLIENT shall notify CONSULTANT in writing if the CONSULTANT is obligated by statute, any public contracting authority, and/or a developer to pay prevailing wages and benefits and/or any other predetermined wages or benefits (collectively, "prevailing wage obligations"). In the event that CONSULTANT must adhere to federal, state, and/or local prevailing wage obligations for work performed, CLIENT shall provide CONSULTANT with any and all prevailing wage determinations applicable to the work to be performed by CONSULTANT. CLIENT understands and agrees that CONSULTANT's fee for work performed under this agreement will be calculated, in part, on the basis of representations by CLIENT regarding the existence and amount of any and all prevailing wage obligations and that, if such obligation exists, CONSULTANT's fee might be different. CLIENT shall also be responsible for informing CONSULTANT in writing and within ten (10) days of commencement of work whether certified payroll records are required to be submitted. CLIENT further understands and agrees that CONSULTANT will rely on the representations made by the CLIENT with regard to prevailing wage obligations and CLIENT agrees to defend, indemnify and hold harmless CONSULTANT against any and all claims, liabilities, suits, demands, losses, costs, and expenses, including but not limited to, reasonable attorney's fees, and all legal expenses and fees, fines, penalties, or sanctions, arising from CONSULTANT's reliance upon CLIENT's representations regarding prevailing wage obligations.

The subject project Does Not constitute a "public work" under any and all federal, state, and/or local prevailing wage laws.

The subject project, all or in part, constitutes a "public work" under Federal Davis Bacon prevailing wage laws only.

The subject project, all or in part, constitutes a "public work" under State and/or local prevailing wage laws.

Initial _____
 Initial _____
 Initial _____

18. Entire Agreement

This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the subject matter hereof, and no other prior or contemporaneous agreement, statement, or promise relating to the subject matter of this Agreement which is not contained herein shall be valid or binding. Any changes to this Agreement must be mutually agreed to in writing.

CENTRAL UNIFIED SCHOOL DISTRICT

SALEM ENGINEERING GROUP, INC.

by Date

Signature Date

Name Title

R. SAMMY SALEM, GE PRINCIPAL ENGINEER

Name Title

Note: Make sure to check appropriate box above signature lines related to labor categories.