SKG
ENGINEERING, LLC
FIRM REGISTRATION NUMBER F-7608
SURVEYING ♦ ENVIRONMENTAL ♦ LAB/CMT

706 SOUTH ABE STREET
SAN ANGELO, TEXAS 76903

PHONE: 325.655.1288
FAX: 325.657.8189

November 19, 2015

Honorable Judge Floyd
Tom Green County
122 W. Beauregard
San Angelo, Texas 76903

Re: Engineering Services Proposal
Preliminary Geotechnical Investigation,
Potential Building Site,
North US Highway 277,
Tom Green County, Texas

Dear Judge Floyd,

I would like to thank you for the opportunity to provide a proposal for services and fee estimates for the potential building site located on North US Highway 277 in Tom Green County, Texas The scope of geotechnical services we could provide is described below.

We propose to conduct a ***preliminary*** geotechnical investigation to include 5 boreholes within the footprint of the potential building to a maximum depth of 30 feet. This geotechnical report will be preliminary in nature and will be followed with the final report. Representative soil samples will be taken to the lab to determine soil properties that include, but are not limited to, Atterberg Limits, sieve analysis, unconfined compressive strength, and natural moisture contents. We would then prepare a geotechnical report based on the geotechnical investigation and lab results. The report would include site conditions, site map showing borehole locations, logs of boreholes, groundwater conditions, Potential Vertical Rise estimates, results of lab tests, allowable bearing capacity values, foundation and pavement recommendations, provisions to mitigate the effects of expansive soils, if applicable, engineered and compacted fill material requirements, and construction testing requirements. We can perform these services for a price of $7,600. Should additional borehole depth be required due to unforeseen subsurface conditions encountered in the field, it will be billed at a rate of $50 per foot beyond the above stated depths. Our fee includes one PDF copy sent via email. Additional copies can be provided for an additional cost.

If changes to the services stated herein are required, please contact us to review and revise this fee proposal. Scheduling will begin upon receipt of the signed proposal.

We can also provide construction staking and construction material testing services during the construction phase of this project and would be glad to give you a proposal at the appropriate time.

SKG Engineering appreciates the opportunity to respond to your request. Please feel free to contact us at 325-655-1288 if you have any questions or if additional information is required.

Sincerely,

SKG Engineering, LLC

Jason Clinton, P.E.

CC: File

Attachments: Terms & Conditions of Professional Service

ACCEPTANCE:

I agree to the terms of this proposal along with the Terms and Conditions of Professional Service attached hereto as presented and accepted same the 24th day of Nov 2015.

Signature

11-24-15
Date

SKG Engineering, LLC
Terms and Conditions of Professional Service

These terms and conditions together with any Proposal attached hereto constitute the entire agreement between SKG Engineering, LLC (SKG) and Client as if they were part of one and the same document.

Definitions:

SKG: shall refer to SKG Engineering, LLC, a Texas limited liability company and its subcontractors.

Client: shall refer to the person, firm, or corporation that has entered into a contractual relationship with SKG providing for the performance of professional services related to civil engineering, surveying, environmental science, planning, consulting, laboratory, construction material testing, drilling, construction observation, or geospatial services.

Proposal: shall refer to the written scope of services, unit prices, and/or fixed fee provided by SKG to Client describing, if applicable, the nature of the services to be performed by SKG or its subcontractors, and the amount and type of compensation to be paid for those services.

Authorization as Agent

Client authorizes SKG to take all actions on Client's behalf which SKG, in its sole discretion, believes to be necessary to perform the services described herein and in the Proposal. Free right of access shall be granted to SKG personnel to enter upon any land owned or controlled by Client so long as such entry is reasonably necessary to perform said services. If SKG notifies Client that SKG requires entry onto land not owned or controlled by client, then Client shall obtain such right of entry without cost to SKG. Client understands that services provided by SKG commonly require drilling, sampling, and other activities that may disrupt use of the premises and may disturb, alter, or damage terrain and vegetation. SKG assumes no responsibility to compensate owner for such loss and will not restore the site to its original condition.

Standard of Care and Liability

SKG will exercise reasonable care in the performance of its duties under this Contract. Client agrees that the liability of SKG, and that of its officers, members, directors, employees, agents, and subcontractors, to Client or any third party due to any negligent professional acts, errors or omissions will be limited to the lesser of SKG's professional liability insurance coverage available at the time of settlement or judgement, or the fee amount provided in the Proposal.

Client shall provide information the Client reasonable believes to be accurate as to the condition of the project site including the location of any underground utilities, utility services, structures, manholes, and underground storage tanks, and SKG shall be entitled to rely upon the accuracy and completeness thereof. Client agrees to defend, indemnify, and hold harmless SKG from any claim or expense, including attorney fees, arising from an allegation that SKG performance under this Contract resulted in damage to any subterranean or surface structure or facility as a result of errors, omissions, or inaccuracies in information provided by client.

Hazardous Materials

Both SKG and Client acknowledge that this Contract does not contemplate the presence at the project site of any hazardous or regulated substances or materials. Client agrees to defend, indemnify, and hold harmless SKG from any claim or expense, including attorney fees, arising from an allegation that SKG's performance under this Contract resulted in the handling, transportation, or disposal of any hazardous or regulated substance, if Client knew or should have known such substance was present at the site and failed to properly notify SKG. In the event that the presence becomes known of any hazardous or regulated substances on or near the project site, SKG may, at its option and without liability for consequential or any other damages, suspend performance of services under this contract.

Confidentiality of Information

SKG will utilize reasonable measures to maintain confidentiality of Client information related to services described in the Proposal. Client acknowledges that SKG does not have a duty of confidentiality and further acknowledges that SKG may have past or present contractual relationships with other individuals or companies practicing the same or related business in the same geographic area as Client. Client acknowledges that SKG may have past or present contractual relationships with governmental agencies having regulatory authority over Clients' project and acknowledges that SKG may appear before such agencies on behalf of other individuals or companies practicing the same or related business in the same geographic area as Client.

Opinions of Probable Construction Cost

Opinions of the probable cost of performance in accordance with plans, specifications, reports, or other instruments prepared by SKG are not warranted to, and may not, reflect the actual cost to Client of such work. Unless otherwise specified, the construction cost of an entire project means the probable total cost to Client of those portions of the project designed and specified by SKG exclusive of the value and cost of SKG services, and cost of such things as land, rights of way, and the cost of interest and financing.

Ownership of Documents

Client accepts reports, plans, specifications, logs, calculations, estimates, and test data, including electronic media, as instruments of professional service, not products. All such material is and shall remain the sole and executive property of SKG. Client may make and retain hard copies of documents for use on the project. Documents are not intended or represented to be suitable for reuse. SKG shall not be required to provide or deliver electronic copies of documents unless specifically required in the Proposal. In the case of any discrepancy between any electronic files and hard copies of drawings or files, hard copies shall control. Due to the easily alterable nature of electronic files, SKG makes no warranties, either express or implied, with respect to electronic files if such files are provided. Client agrees to defend, indemnify and hold harmless SKG against all claims and expenses, including attorney fees, arising out of any use or modification of instruments of services without the express written consent of SKG.

Non-Public Improvements

Client acknowledges that there is no public agency supervision over construction of improvements such as pavements, utilities and walks on private property such as may be found on condominium, apartment, and commercial sites. Unless specifically provided for in the Proposal, SKG does not provide geotechnical assessment of soil conditions and accepts no responsibility for design of pavement sections, subgrade, underdrainage, backfill, and related items whether or not shown on a plan provided by SKG. Client agrees to defend, indemnify and hold harmless SKG from any claim or expense, including attorney fees, arising from 1) use of Client standards for non-public improvements, and/or 2) reliance on geotechnical data and designs provided by Client or a Client consultant, and/or 3) construction of any non-public improvements that are not observed and inspected by SKG pursuant to a construction phase services contract.

Americans with Disabilities Act (ADA) and Texas Accessibility Standards (TAS) Requirements

Client acknowledges that ADA & TAS requirements and implementation guidelines change over time and may vary by jurisdiction. Client further acknowledges that ADA & TAS compliance involves fine tolerances that are governed by the means and methods of construction. SKG will exercise reasonable care in the specification of ADA & TAS compliant facilities subject to local standards and requirements. SKG makes no warranty or representation, either express or implied, that either public or non-public improvements will satisfy ADA and/or TAS requirements, implementation guidelines, and/or local requirements, regardless of whether or not said improvements constructed in accordance with instruments of services prepared under this Contract. Client is advised to procure an independent assessment of ADA & TAS compliance prior to accepting constructed improvements.

Payment

By accepting the Proposal, Client agrees to pay SKG, in the manner described therein, the full amount set out in the Proposal. In the event the Proposal does not provide for a fixed fee or hourly rate schedule for specific services provided, billing shall be on a value basis in accordance with SKG Billing Policy. Client will be invoiced and all invoices will be due and payable within 30 days of issuance. Unless prior agreement is made in writing, Client is liable for timely payment of invoiced amounts without regard to whether Client has received financing, payments, or income from any source, including funds related to the project for which services were provided by SKG. In the event payment is not made in a timely manner, the overdue balance shall bear interest at a rate of 1.5% per month. If the Client fails to make payments when due or otherwise is in breach of this Contract, SKG may suspend performance of services immediately. In the event legal action is necessary to enforce the payment provisions of this Contract, SKG shall be entitled to collect from the Client any judgment or settlement sums due, and reasonable attorney fees, court costs, and other expenses incurred by SKG in connection therewith, together with the value of the time of SKG employees and expenses spent in connection with such collection action.

Performance, Delay, and Force Majeure

If a schedule is agreed to in the Proposal then SKG will use its best efforts to perform according to said schedule. Client acknowledges that SKG's performance often involves public agencies and other businesses and groups who can have substantial impact on scheduling. Neither party shall hold the other responsible for damages or delays in performance caused by force majeure, acts of God, or other events beyond the control of either party which could not have been reasonably foreseen or prevented. Such acts or events shall include unusual weather, floods, epidemics, strikes, lockouts, protest demonstrations, and unanticipated site conditions. Any delay within the scope of this provision that cumulatively exceeds 60 calendar days shall, at the option of either party, make the Contract subject to termination or renegotiation.

Notice

Any notice to be given under this Contract shall be in writing and shall be deemed duly given when delivered personally or by courier, or three business days after deposit in the United States mail, certified or registered, return receipt requested, with postage prepaid addressed to an agent of SKG.

Applicable Law and Survival

The validity, performance, and interpretation of this Contract shall be according to the laws of the State of Texas. All obligations arising prior to the termination of this Contract and all provisions of this Contract allocating responsibility or liability between SKG and Client shall survive the completion of services and the termination of this Contract.

Assignment and Addendum

Neither party shall assign or transfer its interest in this Contract without the written consent of the other party. Consent to such assignment or transfer shall not be unreasonably withheld. This Contract may not be amended except in a writing executed by both SKG and Client. No alterations or modifications to the Proposal or these terms and conditions shall be effective unless affirmatively agreed to in writing by both parties.

Binding Effect of Agreement

This Contract shall be binding upon and inure to the benefit of the parties thereto, their successors and assigns. If and to the extent that any court of competent jurisdiction holds any provisions or part thereof of this Contract to be invalid or unenforceable as a final non-appealable order, then the remainder of the Contract shall not be affected and each provision of this Contract shall be valid and enforced to the fullest extent permitted by law.

Cancellation and Suspension

This Contract may be terminated by either party providing written notice to the other no less than 10 calendar days in advance of the effective date of the termination. Fees, expenses, and other amounts due SKG shall be due and payable immediately upon termination including such amounts reasonably incurred by SKG in the process of stopping work after the notice of termination is received. If the project is suspended for more than 30 calendar days in the aggregate, SKG shall be compensated for services performed and charges incurred prior to receipt of notice to suspend and, upon resumption, an equitable adjustment in fees to accommodate the resulting remobilization costs. In addition, there shall be equitable adjustment in the project schedule based on the delay caused by the suspension.