



Division of Engineering
City of Gahanna
200 S. Hamilton Road
Gahanna, Ohio 43230
Attention: Michael Andrako, P.E

Date: February 16th, 2010

Re: Proposal for Construction Inspection services for the U.S Route 62 and Stygler Road Improvements ST-935.

Dear Mike:

WatCon Consulting Engineers and Surveyors, L.L.C (Watcon) is pleased to provide you a Proposal for Construction Inspection Services for the project listed above.

Our proposed Lump Sum Fee for these Professional Inspection services will be seventy-five thousand dollars (\$75,000). The Lump Sum Fee will provide full time inspection and will include material testing for the approximate project construction period from March 22nd to August 27th.

Initially, Watcon will review the set of plans and attend the Pre-Construction meeting in order to clarify any contractor issues prior to construction. Specifically, Watcon will include the following full time Construction Inspection services with daily inspection reports...

- Inspect Maintenance of Traffic Items
- Inspect Erosion Control Items
- Review and approve Cut-Sheets
- Inspect Sanitary and Storm Sewer installation.
- Inspect Curb, Sidewalk and Handicap Ramp (ADA guidelines) installation
- Inspect Earthwork and Sub-grade preparation.
- Review Asphalt Mix Reports
- Inspect Traffic Control installation.
- Prepare Weekly updates to the City.
- Prepare Final Punch-out Items upon completion of project.
- Review Contractor Pay Applications.
- Documenting a good set of plans in assisting As-Built surveys.

83 Shull Avenue

Gahanna, Ohio 43230

614.414.7979

fax: 614.414.7980

James T. Watkins

P.E., M.B.A., Principal

jim@watconeng.com

EXHIBIT A

We have strategically partner with H.C Nutting Company that will offer the following material testing inspection services with daily reports...

- Concrete Testing of curbs, sidewalks, and handicap ramps.
- Sub-grade Compaction Testing
- Asphalt Compaction Testing
- Utility Compaction Testing

Additional services, above the Comprehensive Scope of services will be charged hourly at the rates outlined in **Exhibit A**. Reimbursable costs are considered print costs, mileage, courier service, survey stakes, and color copies. Mileage will be charged at the current IRS rate. Anticipated Reimbursable costs will not exceed \$1500. All work will be performed in accordance to the attached **WatCon Consulting Engineers and Surveyors L.L.C Terms and Conditions** and are part of this proposal.

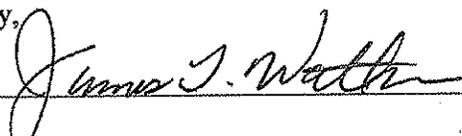
The Consultant shall maintain insurance coverage with a qualified insurance company for duration of the project. Coverage shall be in amounts not to exceed the following limits...

Workman's Compensation	Statutory Limit
General Liability	\$2,000,000 per occurrence
Employers Liability	\$2,000,000 per occurrence
Automobile Liability	\$2,000,000 per occurrence
Professional Liability	\$1,000,000 per claim

If requested, a copy of the Certificate of Insurance shall be provided to the Client.

The project will be invoiced monthly. Said invoices are due upon receipt.

Sincerely,



James T. Watkins, P.E., M.B.A
Principal
WatCon Consulting Engineers & Surveyors, L.L.C

EXHIBIT A

WATCON CONSULTING ENGINEERS & SURVEYORS, L.L.C
Professional Services
Fee Rate Schedule

WATCON SERVICES RATES

Engineering.....	\$90/hr
Surveying.....	\$90/hr
Inspections.....	\$60/hr
Technician.....	\$65/hr
Administrative Assistant.....	\$45/hr
1 Man Field Crew	\$100/hr
2 Man Field Crew	\$125/hr

H.C NUTTING SERVICES RATES

Project Manager.....	\$85/hr
Secretarial/Administration Services.....	\$30/hr
Senior/Principal Engineer (P.E).....	\$105/hr
Project Engineer.....	\$95/hr
Field Supervisor.....	\$65/hr
Material Technician Level 1 (Concrete, asphalt, compaction) ..	\$35/hr
Material Technicians Level IV (proof rolls, subgrade evaluations)	\$45/hr

LABORATORY TESTING & EQUIPMENT CHARGES

Standard Proctor Analysis (AsTM D698)	\$125/each
Gradation/Sieve Analysis	\$65/each
Nuclear Density Gauge Charge (soils/asphalt)	\$35/day
Compressive Strenght Test Cylinders (6" X 12")	\$18/each
Asphalt Extraction/Gradation	\$150/each

WATCON CONSULTING ENGINEERS & SURVEYORS L.L.C
TERMS & CONDITIONS OF PROFESSIONAL SERVICES

1) SCOPE OF SERVICES

WATCON CONSULTING ENGINEERS & SURVEYORS L.L.C hereinafter called "WATCON" shall perform the services defined in this proposal and shall invoice the client at the unit prices or fixed fee as specified in this proposal. WATCON shall provide additional services under this agreement as requested by the CLIENT and shall invoice the CLIENT for those additional services at the rates or revised fee as indicated by the proposal. It is understood that the nature and scope of the services set forth in the proposal and the rate of fee agreed upon for performing such services is based upon information provided by the CLIENT. If unexpected site conditions are encountered which increase the cost of WATCON's work beyond that contemplated in the accepted proposal or if such conditions require additional services beyond the defined scope of work, WATCON will make a reasonable effort to promptly contact the CLIENT. Additional work beyond that contained in the accepted proposal shall be performed by WATCON only upon authorization by the CLIENT, and the CLIENTS agreement to compensate WATCON at its accepted rate for such additional work.

2. RIGHT OF ACCESS

Free right-of-access shall be granted to the personnel of WATCON and its subcontractors. Exploration equipment and/or WATCON company vehicles may unavoidably disturb, alter or damage the existing vegetation and terrain at the site. WATCON and its subcontractors will take reasonable precautions to limit possible damage, but shall not be liable for such damage and will accept no responsibility to restore the site to its original condition. Conditions unless specific arrangements and reimbursement are contractually agreed upon prior to the initiation of our fieldwork.

3. CONSTRUCTION KEY

It is understood and agreed that WATCON has no constructive use of the Owner's site; has no control or authority over the means, methods, and sequences of construction; and therefore has no ongoing responsibility whatsoever for construction safety, beyond WATCON's personnel.

4. COMPUTER AIDED DRAFTING AND DESIGN LIMITATIONS

Electronic data and drawing files, submitted as part of this agreement are compatible only with AutoCAD 2002; operating on an IBM-Compatible PC using Windows XP. WATCON makes no representation as to the compatibility of these files beyond the specified release of the above mentioned software. Hard copies are submitted to CLIENT, to review for a 7-day acceptance period. During this period, the CLIENT may review and examine these plans and any errors detected during this time will be corrected by WATCON as part of the scope of services of this agreement. Any changes requested after the acceptance period will be considered additional services to be performed on a unit rate basis, at the WATCON standard hourly rate schedule.

5. CONSTRUCTION COST AND TIME ESTIMATES

WATCON's opinion of probable construction cost will be based upon its own experience and familiarity with the construction industry. WATCON is required to make a number of assumptions as to specific site conditions, methods of construction and market conditions over which WATCON has no control. WATCON does not guarantee that proposals, bids, or construction costs will not vary from opinions of probable cost prepared under this agreement.

6. PERMITS AND APPROVALS

When identified in the Scope of Services, WATCON shall assist the CLIENT in applying for and obtaining permits and approvals typically required by law for projects similar to the one for which WATCON's services are being engaged. WATCON will follow the guidelines set forth by the various agencies and shall make any technical corrections to the plans that are the fault of WATCON without cost to the CLIENT. Assistance in applying for permit applications by WATCON does not guarantee approval of the permits by the jurisdictional regulatory authorities. Payment for the services outlined in the scope of services is not contingent upon the CLIENT permit approval. This assistance shall also not extend to the preparation of research studies, special documentation, special tests, development and delivery of testimony, or any other action which may be required to obtain regulatory approval. These services shall be compensated for as additional services. The costs of all such permits shall be paid by the CLIENT.

7. LIMITATION OF LIABILITY

WATCON will exercise reasonable care in the performance of its duties under this agreement. CLIENT agrees that the liability of WATCON, and that of its officers, 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 amount of WATCON's professional liability insurance coverage available at the time of settlement or judgment. CLIENT shall provide information which the CLIENT reasonably believes to be accurate as to the condition of the project site including the location of any underground utilities, utility services, structures, and underground storage tanks, and WATCON shall be entitled to rely upon the accuracy and completeness thereof. CLIENT agrees to defend, indemnify, and hold harmless WATCON from any claim or expense, including attorney fees, arising from an allegation that WATCON's performance under this agreement resulted in damage to any subterranean or surface structure or facility as a result of errors, omissions, or inaccuracies in the information provided by the CLIENT.

8. OWNERSHIP OF DOCUMENTS

CLIENT acknowledges WATCON's reports, plans specifications, field data, field notes, calculations, and estimates including electronic media, are instruments of professional service, not products. The CLIENT agrees to hold-harmless and indemnify WATCON against all claims arising out of any reuse of these documents without written authorization of WATCON. WATCON reserves the right to remove all indication of its ownership and/or involvement in the material from each electronic medium not held in its possession. CLIENT shall retain copies of the work performed by WATCON in CADD form only for information and use by the CLIENT for the specific purpose for which WATCON was engaged. Said materials shall not be used by CLIENT, or transferred to another party, for use in other projects, additions to current project, or any other purpose for which the material was not strictly intended by WATCON without WATCON's express written permission. Any unauthorized modification or reuse of materials shall be at CLIENT'S sole risk, and CLIENT agrees to defend, indemnify, and hold WATCON harmless from all claims, arising out of the unauthorized modification or use of these materials.

9. PAYMENT

CLIENT will be invoiced monthly for services and expenses. Invoices will be due and payable upon receipt. Past due amounts are subject to a service charge of 1.5% per month (18% per annum) after thirty (30) days on the outstanding balance. Attorney fees and other costs, incurred in collecting past due amounts shall be paid by the CLIENT. WATCON also reserves the right to terminate its services for failure of CLIENT to make payments in accordance with the provisions of this Agreement. The CLIENT'S obligation to pay for Services contracted in this agreement is in no way dependent upon the CLIENT'S ability to obtain financing, payment, approval of governmental or regulatory agencies, or upon the CLIENTS successful completion of the Project. WATCON reserves the right to retain possession of CLIENT'S documents until payment is made in accordance with the terms of this Agreement. No retainer of payment for services performed by WATCON is to be held by CLIENT. If the CLIENT fails to make payments when due or

otherwise is in breach of this agreement, WATCON may suspend performance of services upon 5 calendar days' notice to CLIENT.

10. CONFIDENTIALITY

WATCON agrees to maintain the confidentiality of the work performed under this agreement, and shall not disclose any such information to any party other than the CLIENT without the express written or oral authorization of CLIENT, except to the extent that such disclosure is to a governmental entity and/or another party to the project contemplated by this agreement.

11. PERFORMANCE DELAY, AND FORCE MAJEURE

In the event that WATCON's work is interrupted due to unusual or unanticipated causes outside of its control, WATCON shall be compensated for the additional labor, equipment, and other costs associated with maintaining its work force and equipment availability during such interruption, or at the option of the CLIENT, for such similar charges that are to be incurred by WATCON for shutting down the project and subsequent re-start up costs. Except for the foregoing provision, neither party shall hold the other responsible for damages or delays in performance caused by force majeure, acts of God, or other events beyond control or either party which could not have been reasonably foreseen or prevented. Such acts or events shall include unusual weather, floods, epidemics, war riots, strikes, lockouts, protest demonstrations, unanticipated site conditions and instability. Any delay within the scope of this provision which cumulatively exceeds 45 days shall, at the option of either party, make the Agreement subject to termination or renegotiation.

12. TERMINATION

Either CLIENT or WATCON may terminate this agreement for reasons identified elsewhere in this agreement. In the event termination becomes necessary, the party effecting the termination shall so notify the other party in writing, and termination shall become effective within seven calendar days after receipt of the termination notice. The CLIENT shall be obligated pursuant to the terms of the

agreement for all services performed by WATCON on the CLIENT'S behalf. In the event of termination by CLIENT, WATCON may complete and be compensated for such analyses and records as are necessary to complete its files and may also complete a report on the Services performed to the date of notice of termination.

13. DISPUTE RESOLUTION

All claims, disputes and other matters in controversy between WATCON and CLIENT arising out of this Agreement shall be submitted to mediation before and as a condition precedent to other remedies provided by law.

14. NOTICES

Any notice to be given under this Agreement shall be in writing and shall be deemed given and received when delivered in person, deposited in the United States Mail, or by Courier, to the responsible project manager under this agreement at the appropriate address for WATCON or CLIENT as appropriate.

15. APPLICABLE LAW

The validity, interpretation and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of Ohio. Further, the parties agree that venue and jurisdiction shall be within Franklin County, Ohio. All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating responsibility or liability between WATCON and CLIENT shall survive the completion of services and the termination of this Agreement.

16. SEVERABILITY

If any provision of this Agreement shall to any extent be invalid, the remainder of this Agreement shall be valid and enforced to the fullest extent permitted by law.

17. AMENDMENT

This Agreement may not be amended except in a writing executed by both WATCON and CLIENT. No alterations or modifications to the proposal and to the terms and conditions shall be effective unless affirmatively contained in the signed proposal.

18. AS-BUILT DRAWINGS

Any "as-built" drawing or record drawing has been prepared based upon information in part by others. While this information is believed to be reliable, WATCON cannot assure its accuracy, and is thus not responsible for the accuracy of this record drawing or for any error or omission, which may have been incorporated into it as a result. Those relying on this record drawing are advised to obtain independent verification of its accuracy before applying it for any purpose. In addition, WATCON will provide additional services for new "as-built" drawings upon the CLIENT's request.

19. DEFINITIONS

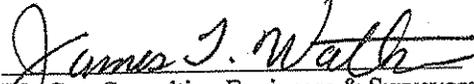
CLIENT: shall refer to the person, firm, or corporation that has entered into a contractual relationship with WATCON providing for the performance of professional services related to civil engineering and surveying, and WATCON's subcontracted services.

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

CLAIMS or LIABILITY: referred to in this document shall include damages, liability for injury or loss, cost of defense and all other losses.

CERTIFY: means to state or declare a professional opinion of condition whose true properties cannot be known at the time such certification was made, despite appropriate professional evaluation. A WATCON certification of conditions in no way relieves any other party from meeting requirements imposed by contract or other means, including commonly accepted industry practices.

Client


WatCon Consulting Engineers & Surveyors, L.L.C.
By: James T. Watkins, P.E., M.B.A.
Principal