



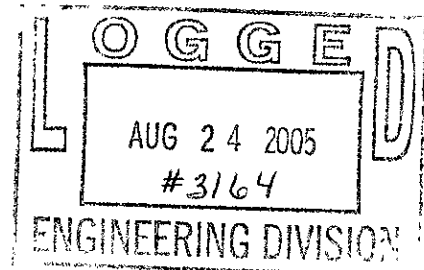
AMERICAN  
ENGINEERING  
TESTING, INC.

August 23, 2005

CONSULTANTS  
• GEOTECHNICAL  
• MATERIALS  
• ENVIRONMENTAL

Mr. Keith Johnson  
City of Rapid City Engineering Department  
300 Sixth Street  
Rapid City, South Dakota 57701

Subject: Cost Proposal  
Geotechnical Engineering Services  
38<sup>th</sup> Street Pedestrian Bridge Replacement  
Rapid City, South Dakota



Dear Keith:

## INTRODUCTION

American Engineering Testing Inc. (AET) is pleased to provide this proposal for providing geotechnical engineering services for the 38<sup>th</sup> Street Pedestrian Bridge Replacement project in Rapid City, South Dakota. This agreement is being completed under AET's 2005 City Wide Geotechnical Services contract and is based on our review of the project drawings dated July 7, 2005.

## SCOPE OF WORK

AET will provide an engineer to observe and evaluate the excavations made for the two bridge abutments. At this time we anticipate one trip will be required for each abutment. The results of our observations will be presented in a short letter report.

In order to accomplish the above stated purpose, AET proposes the following scope of work:

### ***38<sup>th</sup> Street Pedestrian Bridge Replacement***

*Scope: Observe & evaluate abutment excavations for the new pedestrian bridge structure*

Senior Engineer - 3 hours @ \$100.00/hour	\$300.00
Clerical - 1 hour @ \$36.00/hour	\$36.00

**Total \$336.00**

38<sup>th</sup> Street Pedestrian Bridge Replacement  
Rapid City, South Dakota  
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**SCHEDULE**

AET requests that one days notice be given prior to needing the requested excavation observations.

**ACCEPTANCE**

Please acknowledge your acceptance of this proposal by endorsing the enclosed copy and returning it to our office. The original proposal is intended for your records. We cannot begin work on this project without written authorization to proceed.

**CLOSING**

Thank you for considering American Engineering Testing (AET) for this project. If you have any questions please call our office at (605) 388-0029.

Sincerely,



Robert Temme P.E.  
South Dakota Manager

**ACCEPTANCE**

SIGNATURE: \_\_\_\_\_

COMPANY: \_\_\_\_\_

DATE: \_\_\_\_\_

**SERVICE AGREEMENT - TERMS AND CONDITIONS**

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**SECTION 1 - RESPONSIBILITIES**

**1.1** - The party to whom the proposal/contract is addressed is considered the Client of American Engineering Testing, Inc. (AET). The terms and conditions stated are binding, upon acceptance, on the Client, its successors, assignees, joint ventures and third-party beneficiaries. **Oral proposal acceptance or authorizing purchase orders from the Client are considered formal acceptance of AET's terms and conditions.**

**1.2** - Prior to AET performing work, Client will provide AET with all information that may affect the cost, progress, safety and performance of the work. This includes, but is not limited to, information on proposed and existing construction, all pertinent sections of contracts between Client and property owner, site safety plans or other documents which may control or affect AET's work. If new information becomes available during AET's work, Client will provide such information to AET in a timely manner. Failure of client to timely notify AET of changes to the project including, but not limited to, location, elevation, loading, or configuration of the structure or improvement will constitute a release of any liability of AET. Client will provide a representative for timely answers to project-related questions by AET.

**1.3** - Work by AET will not relieve other persons of their responsibility to perform work according to the contract documents or specifications, and AET will not be held responsible for work or omissions by Client and other persons. AET does not perform construction management, general contracting or surveying services and our presence on site does not constitute any assumption of those responsibilities. AET will not be responsible for directing or supervising the work of others, unless specifically authorized and agreed to in writing.

**1.4** - Work by AET often includes sampling at specific locations. Inherent with such sampling is variation of conditions between sampling locations. Client recognizes this uncertainty and the associated risk, and acknowledges that opinions developed by AET, based on the samples, are qualified to that extent.

**1.5** - AET is not responsible for interpretations or modifications of AET's recommendations by other persons.

**1.6** - Should changed conditions be alleged, Client agrees to notify AET before evidence of alleged change is no longer accessible for evaluation.

**SECTION 2 - SITE ACCESS AND RESTORATION**

**2.1** - Client will furnish AET safe and legal site access.

**2.2** - It is understood by Client that in the normal course of the work, some damage to the site or materials may occur. AET will take reasonable precautions to minimize such damage. Restoration of the site is the responsibility of the Client.

**SECTION 3 - SAFETY**

**3.1** - Client shall inform AET of any known or suspected hazardous materials or unsafe conditions at the work site. If, during the course of AET's work, such materials or conditions are discovered, AET reserves the right to take measures to protect AET personnel and equipment or to immediately terminate services. Client shall be responsible for payment of such additional protection costs.

**3.2** - AET shall only be responsible for safety of AET employees at the work site. The Client or other persons shall be responsible for the safety of all other persons at the site.

**SECTION 4 - SAMPLES**

**4.1** - Client is responsible for informing AET of any known or suspected hazardous materials prior to submittal to AET. All samples obtained by, or submitted to, AET remain the property of the Client during and after the work. Any known or suspected hazardous material samples will be returned to the Client at AET's discretion.

**4.2** - Non-hazardous samples will be held for 30 days and then discarded unless, within 30 days' of the report date, the Client provides a written request that AET store or ship the samples, at the Client's expense.

**SECTION 5 - PROJECT RECORDS**

The original project records prepared by AET will remain the property of AET. AET shall retain these original records for a period of three years following submission of the report, during which period the project records can be made available to Client at AET's office at reasonable times.

**SECTION 6 - STANDARD OF CARE**

AET will perform services consistent with the level of care and skill normally performed by other firms in the profession at the time of this service and in this geographic area, under similar budgetary constraints. No other warranty is implied or intended.

**SECTION 7 - INSURANCE**

AET carries Worker's Compensation, Comprehensive General Liability, Automobile Liability and Professional Liability insurance. AET will furnish certificates of insurance to Client upon request.

**SERVICE AGREEMENT - TERMS AND CONDITIONS**

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**SECTION 8 - DELAYS**

If AET work delays are caused by Client, work of others, strikes, natural causes, weather, or other items beyond AET's control, a reasonable time extension for performance of work shall be granted, and AET shall receive an equitable fee adjustment.

**SECTION 9 - PAYMENT, INTEREST AND BREACH**

**9.1** - Invoices are due on receipt. Client will inform AET of invoice questions or disagreements within 15 days of invoice date; unless so informed, invoices are deemed correct.

**9.2** - Client agrees to pay interest on unpaid invoice balances at a rate of 1.5% per month, or the maximum allowed by law, whichever is less, beginning 30 days after invoice date.

**9.3** - If any invoice remains unpaid for 60 days, such non-payment shall be a material breach of this agreement. As a result of such material breach, AET may, at its sole option, terminate all duties to the Client or other persons, without liability.

**9.4** - Client will pay all AET collection expenses and attorney fees relating to past due fees which the Client owes under this agreement.

**SECTION 10 - MEDIATION**

**10.1** - Client and AET agree that any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to arbitration or the institution of legal or equitable proceedings by either party.

**10.2** - Unless Client and AET mutually agree otherwise, mediation shall be in accordance with the Construction Industry Mediation Rules of the American Arbitration Association. Request for mediation shall be in writing and the parties shall share the mediator's fee and any filing fees equitably. The mediator shall be acceptable to both parties and shall have experience in commercial construction matters.

**SECTION 11 - LITIGATION REIMBURSEMENT**

Payment of AET costs for Client lawsuits against AET which are dismissed or are judged substantially in AET's favor will be the Client's responsibility. Applicable costs include, but are not limited to, attorney and expert witness fees, court costs, and AET costs.

**SECTION 12 - MUTUAL INDEMNIFICATION**

**12.1** - AET agrees to hold harmless and indemnify Client from and against liability arising out of AET's negligent performance of the work, subject to Section 13 and any other limitations, other indemnifications or other provisions Client and AET have agreed to in writing.

**12.2** - Client agrees to hold harmless and indemnify AET from and against liability arising out of Client's negligent conduct, subject to any limitations, other indemnifications or other provisions Client and AET have agreed to in writing.

**12.3** - If Client has indemnity agreement with other persons, the Client shall include AET as a beneficiary.

**SECTION 13 - LIMITATION OF LIABILITY**

Client agrees to limit AET's liability to Client arising from negligent acts, errors or omissions, such that the total liability of AET shall not exceed \$10,000 or shall not exceed the project fees, whichever is greater.

**SECTION 14 - TERMINATION**

After 7 days written notice, either party may elect to terminate work for justifiable reasons. In this event, the Client shall pay for all work performed, including demobilization and reporting costs to complete the file.

**SECTION 15 - SEVERABILITY**

Any provisions of this agreement later held to violate a law or regulation shall be deemed void, and all remaining provisions shall continue in force. However, Client and AET will in good faith attempt to replace an invalid or unenforceable provision with one that is valid and enforceable, and which comes as close as possible to expressing the intent of the original provision.

**SECTION 16 - GOVERNING LAW**

This Agreement shall be construed, and the rights of the parties shall be determined, in accordance with the Laws of the State of Minnesota.

**SECTION 17 - ENTIRE AGREEMENT**

This agreement, including attached appendices, is the entire agreement between AET and Client. This agreement nullifies any previous written or oral agreements, including purchase/work orders. Any modifications to this agreement must be in writing.