

April 8, 2022



City of Gallup  
110 W. Aztec Avenue  
Gallup, New Mexico 87301

Attn: Mr. Clyde (C.B.) Strain – Planning and Dev. Director  
P: (505) 863-1244  
E: cstrain@gallupnm.gov

Re: Proposal for Geotechnical Engineering Services  
Alpine Lumber Site Redevelopment  
2nd Street and Maxwell Street  
Gallup, New Mexico  
Terracon Proposal No. P66225102

Dear Mr. Strain:

We appreciate the opportunity to submit this proposal to City of Gallup (COG) to provide Geotechnical Engineering services for the above referenced project. The following are exhibits to the attached Agreement for Services.

Exhibit A	Project Understanding
Exhibit B	Scope of Services
Exhibit C	Compensation and Project Schedule

Our base fee to perform the Scope of Services described in this proposal is \$10,200.00, excluding private utility locates and applicable New Mexico Gross Receipts Tax (NMGRT).

If the field work for this project can be completed with the City of Gallup (COG) New library, our base fee would be reduced to \$8,200.00, excluding private utility locates and applicable NMGRT.

See Exhibit C for more details of our fees and consideration of additional services.

Your authorization for Terracon to proceed in accordance with this proposal can be issued by signing and returning a copy of the attached Agreement for Services along with this proposal to our office. As an alternative, a COG P.O. referencing our proposal can be issued.

Sincerely,

**Terracon Consultants, Inc.**

Elliott M. Gordon, E.I.  
Staff Engineer

Michael E. Anderson, P.E.  
Principal

Terracon Consultants, Inc. 6805 Academy Parkway West NE Albuquerque, New Mexico 87109  
P (505) 797-4287 F (505) 797-4288 terracon.com

Environmental

Facilities

Geotechnical

Materials

## AGREEMENT FOR SERVICES

This AGREEMENT is between City Of Gallup NM ("Client") and Terracon Consultants, Inc. ("Consultant") for Services to be provided by Consultant for Client on the Alpine Lumber Redevelopment Site, 2nd St and Maxwell Ave, Gallup, NM project ("Project"), as described in Consultant's Proposal dated 04/08/2022 ("Proposal"), including but not limited to the Project Information section, unless the Project is otherwise described in Exhibit A to this Agreement (which section or Exhibit is incorporated into this Agreement).

1. **Scope of Services.** The scope of Consultant's services is described in the Proposal, including but not limited to the Scope of Services section ("Services"), unless Services are otherwise described in Exhibit B to this Agreement (which section or exhibit is incorporated into this Agreement). Portions of the Services may be subcontracted. Consultant's Services do not include the investigation or detection of, nor do recommendations in Consultant's reports address occupant safety issues, such as vulnerability to natural disasters, terrorism, or violence. If Services include purchase of software, Client will execute a separate software license agreement. Consultant's findings, opinions, and recommendations are based solely upon data and information obtained by and furnished to Consultant at the time of the Services.
2. **Acceptance/ Termination.** Client agrees that execution of this Agreement is a material element of the consideration Consultant requires to execute the Services, and if Services are initiated by Consultant prior to execution of this Agreement as an accommodation for Client at Client's request, both parties shall consider that commencement of Services constitutes formal acceptance of all terms and conditions of this Agreement. Additional terms and conditions may be added or changed only by written amendment to this Agreement signed by both parties. In the event Client uses a purchase order or other form to administer this Agreement, the use of such form shall be for convenience purposes only and any additional or conflicting terms it contains are stricken. This Agreement shall not be assigned by either party without prior written consent of the other party. Either party may terminate this Agreement or the Services upon written notice to the other. In such case, Consultant shall be paid costs incurred and fees earned to the date of termination plus reasonable costs of closing the Project.
3. **Change Orders.** Client may request changes to the scope of Services by altering or adding to the Services to be performed. If Client so requests, Consultant will return to Client a statement (or supplemental proposal) of the change setting forth an adjustment to the Services and fees for the requested changes. Following Client's review, Client shall provide written acceptance. If Client does not follow these procedures, but instead directs, authorizes, or permits Consultant to perform changed or additional work, the Services are changed accordingly and Consultant will be paid for this work according to the fees stated or its current fee schedule. If project conditions change materially from those observed at the site or described to Consultant at the time of proposal, Consultant is entitled to a change order equitably adjusting its Services and fee.
4. **Compensation and Terms of Payment.** Client shall pay compensation for the Services performed at the fees stated in the Proposal, including but not limited to the Compensation section, unless fees are otherwise stated in Exhibit C to this Agreement (which section or Exhibit is incorporated into this Agreement). If not stated in either, fees will be according to Consultant's current fee schedule. Fee schedules are valid for the calendar year in which they are issued. Fees do not include sales tax. Client will pay applicable sales tax as required by law. Consultant may invoice Client at least monthly and payment is due upon receipt of invoice. Client shall notify Consultant in writing, at the address below, within 15 days of the date of the invoice if Client objects to any portion of the charges on the invoice, and shall promptly pay the undisputed portion. Client shall pay a finance fee of 1.5% per month, but not exceeding the maximum rate allowed by law, for all unpaid amounts 30 days or older. Client agrees to pay all collection-related costs that Consultant incurs, including attorney fees. Consultant may suspend Services for lack of timely payment. It is the responsibility of Client to determine whether federal, state, or local prevailing wage requirements apply and to notify Consultant if prevailing wages apply. If it is later determined that prevailing wages apply, and Consultant was not previously notified by Client, Client agrees to pay the prevailing wage from that point forward, as well as a retroactive payment adjustment to bring previously paid amounts in line with prevailing wages. Client also agrees to defend, indemnify, and hold harmless Consultant from any alleged violations made by any governmental agency regulating prevailing wage activity for failing to pay prevailing wages, including the payment of any fines or penalties.
5. **Third Party Reliance.** This Agreement and the Services provided are for Consultant and Client's sole benefit and exclusive use with no third party beneficiaries intended. Reliance upon the Services and any work product is limited to Client, and is not intended for third parties other than those who have executed Consultant's reliance agreement, subject to the prior approval of Consultant and Client.
6. **LIMITATION OF LIABILITY. CLIENT AND CONSULTANT HAVE EVALUATED THE RISKS AND REWARDS ASSOCIATED WITH THIS PROJECT, INCLUDING CONSULTANT'S FEE RELATIVE TO THE RISKS ASSUMED, AND AGREE TO ALLOCATE CERTAIN OF THE ASSOCIATED RISKS. TO THE FULLEST EXTENT PERMITTED BY LAW, THE TOTAL AGGREGATE LIABILITY OF CONSULTANT (AND ITS RELATED CORPORATIONS AND EMPLOYEES) TO CLIENT AND THIRD PARTIES GRANTED RELIANCE IS LIMITED TO THE GREATER OF \$50,000 OR CONSULTANT'S FEE, FOR ANY AND ALL INJURIES, DAMAGES, CLAIMS, LOSSES, OR EXPENSES (INCLUDING ATTORNEY AND EXPERT FEES) ARISING OUT OF CONSULTANT'S SERVICES OR THIS AGREEMENT. PRIOR TO ACCEPTANCE OF THIS AGREEMENT AND UPON WRITTEN REQUEST FROM CLIENT, CONSULTANT MAY NEGOTIATE A HIGHER LIMITATION FOR ADDITIONAL CONSIDERATION IN THE FORM OF A SURCHARGE TO BE ADDED TO THE AMOUNT STATED IN THE COMPENSATION SECTION OF THE PROPOSAL. THIS LIMITATION SHALL APPLY REGARDLESS OF AVAILABLE PROFESSIONAL LIABILITY INSURANCE COVERAGE, CAUSE(S), OR THE THEORY OF LIABILITY, INCLUDING NEGLIGENCE, INDEMNITY, OR OTHER RECOVERY. THIS LIMITATION SHALL NOT APPLY TO THE EXTENT THE DAMAGE IS PAID UNDER CONSULTANT'S COMMERCIAL GENERAL LIABILITY POLICY.**
7. **Indemnity/Statute of Limitations.** Consultant and Client shall indemnify and hold harmless the other and their respective employees from and against legal liability for claims, losses, damages, and expenses to the extent such claims, losses, damages, or expenses are legally determined to be caused by their negligent acts, errors, or omissions. In the event such claims, losses, damages, or expenses are legally determined to be caused by the joint or concurrent negligence of Consultant and Client, they shall be borne by each party in proportion to its own negligence under comparative fault principles. Neither party shall have a duty to defend the other party, and no duty to defend is hereby created by this indemnity provision and such duty is explicitly waived under this Agreement. Causes of action arising out of Consultant's Services or this Agreement regardless of cause(s) or the theory of liability, including negligence, indemnity or other recovery shall be deemed to have accrued and the applicable statute of limitations shall commence to run not later than the date of Consultant's substantial completion of Services on the project.
8. **Warranty.** Consultant will perform the Services in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions in the same locale. **EXCEPT FOR THE STANDARD OF CARE PREVIOUSLY STATED, CONSULTANT MAKES NO WARRANTIES OR GUARANTEES, EXPRESS OR IMPLIED, RELATING TO CONSULTANT'S SERVICES AND CONSULTANT DISCLAIMS ANY IMPLIED WARRANTIES OR WARRANTIES IMPOSED BY LAW, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**
9. **Insurance.** Consultant represents that it now carries, and will continue to carry: (i) workers' compensation insurance in accordance with the laws of the states having jurisdiction over Consultant's employees who are engaged in the Services, and employer's liability insurance (\$1,000,000); (ii) commercial general liability insurance (\$2,000,000 occ / \$4,000,000 agg); (iii) automobile liability insurance (\$2,000,000 B.I. and P.D. combined single limit); and (iv) professional liability insurance (\$1,000,000 claim / agg). Certificates of insurance will be provided upon request. Client and Consultant shall waive subrogation against the other party on all general liability and property coverage.

10. **CONSEQUENTIAL DAMAGES. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR LOSS OF PROFITS OR REVENUE; LOSS OF USE OR OPPORTUNITY; LOSS OF GOOD WILL; COST OF SUBSTITUTE FACILITIES, GOODS, OR SERVICES; COST OF CAPITAL; OR FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT, PUNITIVE, OR EXEMPLARY DAMAGES.**
11. **Dispute Resolution.** Client shall not be entitled to assert a Claim against Consultant based on any theory of professional negligence unless and until Client has obtained the written opinion from a registered, independent, and reputable engineer, architect, or geologist that Consultant has violated the standard of care applicable to Consultant's performance of the Services. Client shall provide this opinion to Consultant and the parties shall endeavor to resolve the dispute within 30 days, after which Client may pursue its remedies at law. This Agreement shall be governed by and construed according to New Mexico law.
12. **Subsurface Explorations.** Subsurface conditions throughout the site may vary from those depicted on logs of discrete borings, test pits, or other exploratory services. Client understands Consultant's layout of boring and test locations is approximate and that Consultant may deviate a reasonable distance from those locations. Consultant will take reasonable precautions to reduce damage to the site when performing Services; however, Client accepts that invasive services such as drilling or sampling may damage or alter the site. Site restoration is not provided unless specifically included in the Services.
13. **Testing and Observations.** Client understands that testing and observation are discrete sampling procedures, and that such procedures indicate conditions only at the depths, locations, and times the procedures were performed. Consultant will provide test results and opinions based on tests and field observations only for the work tested. Client understands that testing and observation are not continuous or exhaustive, and are conducted to reduce - not eliminate - project risk. Client shall cause all tests and inspections of the site, materials, and Services performed by Consultant to be timely and properly scheduled in order for the Services to be performed in accordance with the plans, specifications, contract documents, and Consultant's recommendations. No claims for loss or damage or injury shall be brought against Consultant by Client or any third party unless all tests and inspections have been so performed and Consultant's recommendations have been followed. Unless otherwise stated in the Proposal, Client assumes sole responsibility for determining whether the quantity and the nature of Services ordered by Client is adequate and sufficient for Client's intended purpose. Client is responsible (even if delegated to contractor) for requesting services, and notifying and scheduling Consultant so Consultant can perform these Services. Consultant is not responsible for damages caused by Services not performed due to a failure to request or schedule Consultant's Services. Consultant shall not be responsible for the quality and completeness of Client's contractor's work or their adherence to the project documents, and Consultant's performance of testing and observation services shall not relieve Client's contractor in any way from its responsibility for defects discovered in its work, or create a warranty or guarantee. Consultant will not supervise or direct the work performed by Client's contractor or its subcontractors and is not responsible for their means and methods. The extension of unit prices with quantities to establish a total estimated cost does not guarantee a maximum cost to complete the Services. The quantities, when given, are estimates based on contract documents and schedules made available at the time of the Proposal. Since schedule, performance, production, and charges are directed and/or controlled by others, any quantity extensions must be considered as estimated and not a guarantee of maximum cost.
14. **Sample Disposition, Affected Materials, and Indemnity.** Samples are consumed in testing or disposed of upon completion of the testing procedures (unless stated otherwise in the Services). Client shall furnish or cause to be furnished to Consultant all documents and information known or available to Client that relate to the identity, location, quantity, nature, or characteristic of any hazardous waste, toxic, radioactive, or contaminated materials ("Affected Materials") at or near the site, and shall immediately transmit new, updated, or revised information as it becomes available. Client agrees that Consultant is not responsible for the disposition of Affected Materials unless specifically provided in the Services, and that Client is responsible for directing such disposition. In no event shall Consultant be required to sign a hazardous waste manifest or take title to any Affected Materials. Client shall have the obligation to make all spill or release notifications to appropriate governmental agencies. The Client agrees that Consultant neither created nor contributed to the creation or existence of any Affected Materials conditions at the site and Consultant shall not be responsible for any claims, losses, or damages allegedly arising out of Consultant's performance of Services hereunder, or for any claims against Consultant as a generator, disposer, or arranger of Affected Materials under federal, state, or local law or ordinance.
15. **Ownership of Documents.** Work product, such as reports, logs, data, notes, or calculations, prepared by Consultant shall remain Consultant's property. Proprietary concepts, systems, and ideas developed during performance of the Services shall remain the sole property of Consultant. Files shall be maintained in general accordance with Consultant's document retention policies and practices.
16. **Utilities.** Unless otherwise stated in the Proposal, Client shall provide the location and/or arrange for the marking of private utilities and subterranean structures. Consultant shall take reasonable precautions to avoid damage or injury to subterranean structures or utilities. Consultant shall not be responsible for damage to subterranean structures or utilities that are not called to Consultant's attention, are not correctly marked, including by a utility locate service, or are incorrectly shown on the plans furnished to Consultant.
17. **Site Access and Safety.** Client shall secure all necessary site related approvals, permits, licenses, and consents necessary to commence and complete the Services and will execute any necessary site access agreement. Consultant will be responsible for supervision and site safety measures for its own employees, but shall not be responsible for the supervision or health and safety precautions for any other parties, including Client, Client's contractors, subcontractors, or other parties present at the site. In addition, Consultant retains the right to stop work without penalty at any time Consultant believes it is in the best interests of Consultant's employees or subcontractors to do so in order to reduce the risk of exposure to the coronavirus. Client agrees it will respond quickly to all requests for information made by Consultant related to Consultant's pre-task planning and risk assessment processes. Client acknowledges its responsibility for notifying Consultant of any circumstances that present a risk of exposure to the coronavirus or individuals who have tested positive for COVID-19 or are self-quarantining due to exhibiting symptoms associated with the coronavirus.

Consultant: Terracon Consultants, Inc.Client: City Of Gallup NMBy:  Date: 4/8/2022

By: \_\_\_\_\_ Date: \_\_\_\_\_

Name/Title: Michael E Anderson / PrincipalName/Title: Clyde (C.B.) Strain / Planning and Development DirectorAddress: 6805 Academy Pkwy West NE  
Albuquerque, NM 87109Address: 110 W Aztec Ave  
Gallup, NM 87301-6202Phone: (505) 797-4287 Fax: (505) 797-4288Phone: (505) 863-1244 Fax: \_\_\_\_\_Email: Mike.Anderson@terracon.comEmail: cstarin@gallupnm.gov

## EXHIBIT A - PROJECT UNDERSTANDING

Our Scope of Services is based on our understanding of the project as described by COG and the expected subsurface conditions as described below. We have not visited the project site to confirm the information provided. Aspects of the project, undefined or assumed, are highlighted as shown below. We request the design team verify all information prior to our initiation of field exploration activities.

### Site Location and Anticipated Conditions

Item	Description
<b>Parcel Information</b>	The project is located at the intersection of 2nd Street and Maxwell Street in Gallup, New Mexico.
<b>Existing Improvements</b>	Developed parcel consisting of existing buildings, structures, materials storage areas, utilities, pavements, gravel surfacing, and perimeter steel chain link fencing.
<b>Current Ground Cover</b>	Building footprints, equipment, construction materials, gravel surfacing, and pavements
<b>Existing Topography</b>	The site slopes down to the north and northwest
<b>Site Access</b>	We expect the site, and all exploration locations, are accessible with our truck-mounted drilling equipment.
<b>Expected Subsurface Conditions</b>	Our experience near the site of the proposed development or geologic maps indicates subsurface conditions will likely consist of very loose to medium dense sands and medium stiff to very stiff clay soils. Groundwater is anticipated to be encountered at a depth greater than about 25 to 30 feet below existing site grade.

### Planned Construction

Item	Description
<b>Information Provided</b>	Project information was provided by COG in emails of April 6 through 8, 2022 that included the aerial photo of the site.
<b>Project Description</b>	The project will include the redevelopment of the previous Alpine Lumber Company comprising approximately 3 acres. Information regarding the planned development is unknown at this time.
<b>Proposed Structures</b>	Unknown at this time.
<b>Building Construction</b>	Wood frame, steel frame and stud, and/or masonry load bearing walls Slab-on-grade floor system

Item	Description
<b>Proposed Foundations</b>	Shallow foundations consisting of spread/continuous footings
<b>Finished Floor Elevations</b>	Within 1 to 2 feet of existing site grade
<b>Maximum Loads</b>	<ul style="list-style-type: none"> <li>■ Columns: 30 to 50 kips</li> <li>■ Walls: 2 to 3 kips per linear foot (klf)</li> <li>■ Slabs: 150 pounds per square foot (psf)</li> </ul>
<b>Grading/Slopes</b>	Up to 1 to 2 feet of cut and/or fill may be required to develop final site grades.
<b>Below-Grade Structures</b>	Not applicable
<b>Free-Standing Retaining Walls</b>	Not applicable
<b>Pavements</b>	New paved driveway and parking may be constructed on the parcel. Flexible (asphalt) pavement sections will be considered. Anticipated traffic is unknown at this time. The pavement design period is 20 years.
<b>Estimated Start of Construction</b>	2022 or 2023

## EXHIBIT B - SCOPE OF SERVICES

Our proposed Scope of Services consists of field exploration, laboratory testing, and engineering/project delivery. These services are described in the following sections.

### Field Exploration

Number of Borings	Planned Boring Depth (feet) <sup>1</sup>	Planned Location
8	20 to 30 or auger refusal	Building Areas

1. Below ground surface.

**Boring Layout and Elevations:** We will use handheld GPS equipment to locate borings with an estimated horizontal accuracy of +/-20 feet. Field measurements from existing site features may be utilized. If available, approximate elevations will be obtained by interpolation from a site specific, surveyed topographic map.

**Subsurface Exploration Procedures:** We will advance soil borings with a truck-mounted drill rig using continuous flight augers (solid stem and/or hollow stem, as necessary, depending on soil conditions). Three (3) to four (4) samples will be obtained in the upper 10 feet of each boring and at intervals of 5 feet thereafter. Soil sampling is typically performed using thin-wall tube and/or split-barrel sampling procedures. The split-barrel samplers are driven in accordance with the standard penetration test (SPT). The samples will be placed in appropriate containers, taken to our soil laboratory for testing, and classified by a Geotechnical Engineer. In addition, we will observe and record groundwater levels during drilling and sampling.

Our exploration team will prepare field boring logs as part of standard drilling operations including sampling depths, penetration distances, and other relevant sampling information. Field logs include visual classifications of materials encountered during drilling, and our interpretation of subsurface conditions between samples. Final boring logs, prepared from field logs, represent the Geotechnical Engineer's interpretation, and include modifications based on observations and laboratory tests.

**Property Disturbance:** We will backfill borings with auger cuttings upon completion. Pavements will be patched with cold-mix asphalt and/or ready mixed concrete, as appropriate. Our services do not include repair of the site beyond backfilling our boreholes. Excess auger cuttings will be dispersed in the general vicinity of the boreholes. Because backfill material often settles below the surface after a period, we recommend boreholes to be periodically checked and backfilled, if necessary. We can provide this service, or grout the boreholes for additional fees, at your request.

## **Safety**

Terracon is not aware of environmental concerns at this project site that would create health or safety hazards associated with our exploration program; thus, our Scope considers standard OSHA Level D Personal Protection Equipment (PPE) appropriate. Our Scope of Services does not include environmental site assessment services, but identification of unusual or unnatural materials encountered while drilling will be noted on our logs and discussed in our report.

Exploration efforts require borings (and possibly excavations) into the subsurface, therefore Terracon will comply with local regulations to request a utility location service through New Mexico One Call (NMOC). We will consult with the owner/client regarding potential utilities, or other unmarked underground hazards. Based upon the results of this consultation, we will consider the need for alternative subsurface exploration methods, as the safety of our field crew is a priority.

Based upon existing site development, we assume that the COG personnel will locate private utilities at the proposed boring locations. If this is not the case, Terracon can assist the COG by coordinating and subcontracting with a private utility locating service. Fees associated with these services are included as an option in our current Scope of Services. The detection of underground utilities is dependent upon the composition and construction of the utility line; some utilities are comprised of non-electrically conductive materials and may not be readily detected. The use of a private utility locate service would not relieve the owner of their responsibilities in identifying private underground utilities.

In addition, Terracon retains the right to stop work without penalty at any time we believe it is in the best interests of our employees or subcontractors to do so in order to reduce the risk of exposure to the coronavirus. Our Client agrees it will respond quickly to all requests for information made by us related to our pre-task planning and risk assessment processes. Our Client acknowledges its responsibility for notifying us of any circumstances that present a risk of exposure to the coronavirus or individuals who have tested positive for COVID-19 or are self-quarantining due to exhibiting symptoms associated with the coronavirus.

**Site Access:** Terracon must be granted access to the site by the property owner. By acceptance of this proposal, without information to the contrary, we consider this as authorization to access the property for conducting field exploration in accordance with the Scope of Services.

## **Laboratory Testing**

The project engineer will review field data and assign laboratory tests to understand the engineering properties of various soil strata. Exact types and number of tests cannot be defined until completion of field work. The anticipated laboratory testing may include the following:

- Water content
- Unit dry weight
- Atterberg limits

## Proposal for Geotechnical Engineering Services

Alpine Lumber Site Redevelopment ■ Gallup, New Mexico

April 8, 2022 ■ Terracon Proposal No. P66225102



- One dimensional consolidation
- Grain size analysis
- Chemical Analyses – sulfates

Laboratory testing program often includes examination of soil samples by an engineer. Based on the material's texture and plasticity, we will describe and classify soil samples in accordance with the Unified Soil Classification System (USCS).

### Engineering and Project Delivery

Results of our field and laboratory programs will be evaluated by a professional engineer. The engineer will develop a geotechnical site characterization, perform the engineering calculations necessary to evaluate foundation alternatives, and develop appropriate geotechnical engineering design criteria for earth-related phases of the project.

Your project will be delivered using our **GeoReport®** system. Upon initiation, we provide you and your design team the necessary link and password to access the website. Each project includes a calendar to track the schedule, an interactive site map, a listing of team members, access to the project documents as they are uploaded to the site, and a collaboration portal. The typical delivery process includes the following:

- Project Planning – Proposal information, schedule and anticipated exploration plan will be posted for review and verification
- Site Characterization – Findings of the site exploration
- Geotechnical Engineering – Recommendations and geotechnical engineering report

When utilized, our collaboration portal documents communication, eliminating the need for long email threads. This collaborative effort allows prompt evaluation and discussion of options related to the design and associated benefits and risks of each option. With the ability to inform all parties as the work progresses, decisions and consensus can be reached faster. In some cases, only minimal collaboration will be required, because options for design and construction are limited or unnecessary. This is typically the case for uncomplicated projects without anomalies.

When services are complete, we upload a printable version of our completed geotechnical engineering report, including the professional engineer's seal and signature, which documents our services. Previous submittals, collaboration and the report are maintained in our system. This allows future reference and integration into subsequent aspects of our services as the project goes through final design and construction.

The geotechnical engineering report will provide the following:

- Boring log with field and laboratory data
- Stratification based on visual soil classification
- Groundwater levels observed during and after the completion of drilling



## Proposal for Geotechnical Engineering Services

Alpine Lumber Site Redevelopment ■ Gallup, New Mexico

April 8, 2022 ■ Terracon Proposal No. P66225102



- Site Location and Exploration Plans
- Subsurface exploration procedures
- Description of subsurface conditions
- Recommended foundation options and engineering design parameters
- Estimated settlement of foundations
- 2015 IBC Site Class and seismic design parameters
- Recommendations for design and construction of interior floor slabs
- Subgrade preparation
- Earthwork recommendations
- Suitability of on-site soils
- Lateral earth pressure and retaining wall recommendations
- Recommended pavement options and design parameters
- Concrete corrosion potential

In addition to the services noted above, the following are often associated with geotechnical engineering services. Fees for services noted above do not include the following:

**Review of Plans and Specifications:** Our geotechnical report and associated verbal and written communications will be used by others in the design team to develop plans and specifications for construction. Review of project plans and specifications is a vital part of our geotechnical engineering services. This consists of review of project plans and specifications related to site preparation, foundation, and pavement construction. Our review will include a written statement conveying our opinions relating to the plans and specifications' consistency with our geotechnical engineering recommendations.

**Observation and Testing of Pertinent Construction Materials:** Development of our geotechnical engineering recommendations and report relies on an interpretation of soil conditions. This is based on widely spaced exploration locations, and assuming construction methods will be performed in a manner sufficient to meet our expectations, and is consistent with recommendations made at the time the geotechnical engineering report is issued. We should be retained to conduct construction observations, and perform/document associated materials testing, for site preparation, foundation, and pavement construction. This allows a more comprehensive understanding of subsurface conditions and necessary documentation of construction, to confirm and/or modify (when necessary) the assumptions and recommendations made by our engineers.

**Perform Environmental Assessments:** Our Scope for this project does not include, either specifically or by implication, an environmental assessment of the site intended to identify or quantify potential site contaminants. A separate proposal for an environmental assessment will be provided, as requested by Client.

## EXHIBIT C - COMPENSATION AND PROJECT SCHEDULE

### Compensation

Based upon our understanding of the site, the project as summarized in Exhibit A, and our planned Scope of Services outlined in Exhibit B, our base fee is shown in the following table:

Task	Lump Sum Fee <sup>1</sup>
Subsurface Exploration, Laboratory Testing, Geotechnical Consulting & Reporting (excludes private utility locates)	\$10,200.00
Subsurface Exploration, Laboratory Testing, Geotechnical Consulting & Reporting (excludes private utility locates)	\$8,200.00 <sup>2</sup>

1. Excludes New Mexico Gross Receipts Tax (NMGRT) currently at 7.875%
2. If the field work can be performed with the COG New Library Project.

Additional services not part of the base fee include the following:

Additional Services (see Exhibit B)	Lump Sum Fee	Initial for Authorization
Private Utility Locates <sup>1</sup>	\$950	
Plans and Specifications Review	\$500	
Construction Materials Testing Services	TBD	

1. If the owner/client is unable to accurately locate private utilities, we can subcontract a private utility locating firm and/or utilize geophysical equipment, if necessary. The detection of underground utilities is dependent upon the composition and construction of utility lines. Some utilities are comprised of non-electrically conductive materials and may not be readily detected. The use of a private locate service does not relieve the owner of their responsibilities in identifying private underground utilities.

Please note that the above fee excludes New Mexico Gross Receipts Tax (NMGRT) currently at 7.875%. NMGRT will be included at the applicable rate for our locale unless we are provided with a Type 5, Non-Taxable Transaction Certificate (NTTC).

Our Scope of Services does not include services associated with site clearing, wet ground conditions, tree or shrub clearing, or repair of/damage to existing landscape. If such services are desired by the owner/client, we should be notified so we can adjust our Scope of Services.

Unless instructed otherwise, we will submit our invoice(s) to the address shown at the beginning of this proposal. If conditions are encountered that require Scope of Services revisions and/or result in higher fees, we will contact you for approval, prior to initiating services. A supplemental proposal stating the modified Scope of Services as well as its effect on our fee will be prepared. We will not proceed without your authorization.

## Project Schedule

We developed a schedule to complete the Scope of Services based upon our existing availability and understanding of your project schedule. However, this does not account for delays in field exploration beyond our control, such as weather conditions, permit delays, or lack of permission to access the boring locations. In the event the schedule provided is inconsistent with your needs, please contact us so we may consider alternatives.

<b>GeoReport® Delivery</b>	<b>Posting Date from Notice to Proceed <sup>1, 2</sup></b>
Project Planning	10 to 15 days
Site Characterization	30 to 35 days
Geotechnical Engineering	35 to 40 days

1. Upon receipt of your notice to proceed we will activate the schedule component of our **GeoReport®** website with specific, anticipated calendar days for the three delivery points noted above as well as other pertinent events such as field exploration crews on-site, etc.
2. We will maintain a current calendar of activities within our **GeoReport®** website. In the event of a need to modify the schedule, the schedule will be updated to maintain a current awareness of our plans for delivery.