



July 12, 2022

Ryan Wear
Ideal Investment Properties
2732 Grand Avenue, Suite 122
Everett, Washington 98201
C/O Merle Ash, Land Technologies, Inc.

**RE: Geotechnical Study Proposal for Early Grading
Ideal Industrial Park
14805, 14821, 14919 & 1425 Smokey Point Blvd
Marysville, Washington
RGI Proposal No. 2022-429-PRP1**

Dear Mr. Wear:

As requested by Merle Ash of Land Technologies, The Riley Group, Inc. (RGI) is pleased to present this proposal for providing geotechnical service for the early grading of the subject site.

RGI understands that the project includes six tax parcels with a total area of about 10.16 acres and construct five buildings. Based on the preliminary plan, the site grading will need 4 to 6 feet of fill to raise the site grade. To apply an Early Grading Permit, geotechnical recommendation will be needed for site preparation and criteria for placing the fill. Therefore, the following scope of work is proposed:

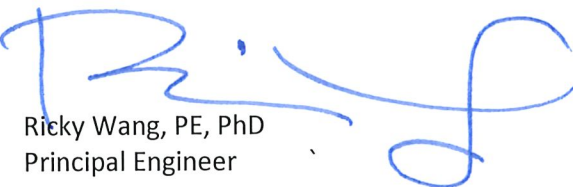
- Review the site plan and geotechnical report provided by the client;
- Perform site evaluation of the site condition;
- Provide a letter report for site preparation including stripping, proofrolling, and recommendation for importing structural fill, installation and compaction requirement, and observation and testing procedure.

RGI will provide the above scope of work for a lump-sum of \$2,000. Additional work will be performed on a time and material basis per the attached 2022 Schedule of Charges and General Conditions.

We look forward to your favorable review and to working with you on this project. Please call us at (425) 415-0551 if you have any questions or need additional information.

Sincerely,

THE RILEY GROUP, INC.



Ricky Wang, PE, PhD
Principal Engineer

Attachments: 2022 Schedule of Charges and General Conditions

Corporate Office
17522 Bothell Way Northeast
Bothell, Washington 98011
Phone 425.415.0551 ♦ Fax 425.415.0311

www.riley-group.com

CLIENT ACCEPTANCE SECTION

Acceptance of Proposed Work Plan: The proposed scope of work, prices, and conditions stated in this Proposal and the attached 2022 Schedule of Charges and General Conditions are satisfactory and are hereby fully accepted by the Client.

Authorized Signature: _____

Printed Name: _____

Title: _____

Date of Acceptance: _____





2022 SCHEDULE OF CHARGES AND GENERAL CONDITIONS

Compensation to The Riley Group, Inc. (RGI) for professional services is based on the conditions set forth:

CHARGES. Unless other arrangements have been made, charges for all work will be based on the following:

Professional Service Rates

Principal	\$190/hour	CESCL Staff	\$120/hour
Associate	\$165/hour	Staff	\$110/hour
Senior	\$160/hour	Soils Technician	\$100/hour
Project II	\$135/hour	AutoCAD Staff Drafter/Senior Drafter	\$100-\$125/hour
Project I	\$125/hour	Project Support/Project Coordination	\$90-\$120/hour

Frequently Utilized Geotechnical, Hydrogeological, and Environmental Equipment Rates

5035 Kit	\$11.50, \$14/each	Oil-Water Interface Probe	\$80/day, \$240/week
Air Bladder Groundwater Sampling System (QED M-50)	\$150/day, \$300/week	Peristaltic Pump	\$80/day, \$210/week
Disposable Bailers	\$15/bailer	Photoionization Detector (PID) - PPM	\$175/day, \$440/week
Dissolved Oxygen Meter	\$45/day, \$100/week	Photoionization Detector (PID) - PPB	\$190/day, \$475/week
Equipment Van/Truck (local mileage)	\$95/day, \$150/week	Pressure Transducer	\$30/each/day, \$90/each/week
General Field/Health and Safety Supplies	\$60/day, \$200/week	Surveying Equipment	\$150/day, \$300/week
Generator (Honda EU2000)	\$85/day, \$300/week	Tedlar Bags	\$25/each
Geosub Pump with Controller	\$200/day, \$400/week	Tubing – Disposable – Groundwater Sampling	\$0.29 to \$0.59/ft
GPS (GNSS Handheld)	\$180/day, \$670/week	Water Flow Meter	\$45/day, \$90/week
Hand Auger and Extensions	\$40/day, \$80/week	Water Level Meter	\$45/day, \$90/week
Hanna Water Quality Meter	\$60/day, \$190/week	Water Sampling Filter (0.10 micron prefilter)	\$45/filter
High Vacuum Air Pump	\$45/day, \$90/week	Water Sampling Filter (0.45 micron prefilter)	\$28/filter
Magnehelic Gauges	\$40/day, \$80/week	YSI Quatro Pro Series DSS w/ Flowcell	\$200/day, \$675/week
Manometer	\$20/day, \$40/week		

*Pricing above doesn't include all RGI field equipment. Pricing available upon request.

*Three days or greater equals one week rental rate.

Other Surcharges and Rates

Litigation Support	2 x rate	Per Diem, over 180 miles	\$100/day
Outside Services, Subcontractors, Materials	cost + 15%	Per Diem, overnight	\$250/day
Parking, Permits	cost + 15%	Mileage	\$1.00/mile
		Truck Mileage	\$1.50/mile

PROPOSAL EXPIRATION. Proposals are valid for 30 days after date of issuance. After expiration, RGI reserves the right to review proposed project and adjust costs, as necessary.

RATES EXPIRATION. Rates listed above are valid until December 31, 2022 after which time the rates may be adjusted.

OVERTIME/MINIMUM/RUSH CHARGES. Hours worked in excess of 8 hours per day and/or 40 hours per week, or that are worked on the weekend and/or national holidays will be billed at 150 percent of the listed hourly rates when these overtime hours are requested by the Client or are reasonable and/or necessary to meet job schedules and requirements. Technical time for all field work (including travel) will be billed on a 4-hour daily minimum. Principal, Associate, and Senior professional staff bills in 30 minute increments. Projects requested to be performed on an accelerated schedule will be subject to a rush charge.

ESTIMATE OVERAGES AND CHANGE ORDERS. Additional charges may be incurred during project completion due to several factors including but not limited to: unforeseen changes on the scope of work, scheduling delays (outside of RGI's control), changed conditions, and limited property accessibility. Lump sum/fixed fee project fees are determined based on the scope of work presented in the proposal. These prices, although fixed, are subject to increase if additional work is required (as approved in advance). RGI will make a concerted effort to attain approval in writing (i.e. in the form of a change order, email and/or in proposal) prior to incurring additional charges.

BILLING. Unless stated otherwise, invoices will be submitted following completion of the report or monthly and are payable NET 30 calendar days of receipt. Interest of 1.5 percent per month (but not exceeding the maximum rate by law) will be added to any account not paid within 30 days. It is agreed that attorney's fees or other costs incurred in collecting any delinquent amount shall be fully paid by the Client. RGI's hourly and proposed rates do not generally include sales tax (if applicable). For some projects, payment may be required prior to performance of work, subject to a retainer, or paid in full prior to the release of draft and/or final work product.

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Phone 425.415.0551 ♦ Fax 425.415.0311

2022 SCHEDULE OF CHARGES AND GENERAL CONDITIONS, Continued

TERMINATION OF CONTRACT. RGI reserves the right to terminate this agreement at any time for any reason. RGI will be notify the Client in writing of any such termination. On the effective date of termination, RGI shall immediately terminate performance of all services and shall not undertake any new services unless otherwise expressly instructed in writing by Client. The "effective date of termination" shall be that date which RGI's Client receives written notice of termination. Upon termination RGI will submit a final invoice within 15 business days of the last day of work performed. Client shall pay RGI for all labor, work and services performed, and all materials supplied and expenses incurred by RGI under this Agreement no later than 15 business days after the effective date of termination. Upon termination, RGI shall transmit to Client all project documents and all other materials which are the property of Client under this agreement.

RIGHT-OF-ENTRY/CLIENT-FURNISHED INFORMATION. Unless otherwise agreed, RGI's Client will furnish right-of-entry to the projects' land and buildings as agreed upon scope of work. The Client is responsible to provide in writing (by map or drawing) a description of the property showing any known or suspect underground storage tanks, buried utilities and/or other underground improvements prior to RGI performing any work on the demised property.

OWNERSHIP/REPRODUCTION OF DOCUMENTS. All designs, drawings, specifications, notes, data, sample materials, documentation, and other work developed by RGI are instruments of service and as such remain the property of RGI. The Client agrees that all reports and other work furnished to the Client or his agents, which are not paid for, will be returned upon demand and will not be used for any purpose whatsoever. RGI will retain all pertinent reports relating to the services performed for a period of 5 years from date of origination. RGI reserves the right at any time to discard field notes, laboratory reports, and calculations sheets, which are not included or summarized in said report(s). RGI shall provide the Client, free of charge, one electronic copy of a report. Any hard copies will incur fees on a time and materials basis. Written notice from the Client is required for any release of reports to third-party users. Retrieval of archived reports/files after 2 years from date of origination will incur a fee based on time spent retrieving report, including any reproduction expenses incurred by RGI.

GENERAL AND PROFESSIONAL LIABILITY INSURANCE. RGI will provide evidence of professional liability insurance up to a maximum of \$1,000,000 each occurrence/\$2,000,000 total aggregate. RGI shall maintain this coverage until our portion of work under this contract is complete. For owner-occupied single-family residences, the Client agrees to limit RGI's total professional liability arising and/or resulting from work performed by RGI and/or our employees to the greatest of (a) \$25,000, or (b) RGI's total fee for services rendered.

LIMITATIONS OF PROFESSIONAL LIABILITY. Our findings, recommendations, specifications, and/or professional opinions will be presented and based on generally accepted professional engineering, environmental, and geologic practices. RGI makes no other warranty, either expressed or implied. For any injury or loss on account of any error, omission, or other professional negligence, the Client agrees to limit RGI and/or its professional employees' liability to the Client and to all agents, contractors, and subcontractors arising out of the performance of our professional services, such that the total aggregate liability to all those named shall not exceed our current Professional Liability Insurance coverage. For additional Dispute Resolution matters, please refer to the paragraph below. In the event the Client makes a claim against RGI and/or its professional employees, at law or otherwise, for any alleged error, omission, or other act arising out of the performance of our professional services, and the Client fails to prove such claim or prevail in an adversary proceeding, the Client shall pay all costs incurred by RGI and/or its professional staff in defending itself against the claim.

DISPUTE RESOLUTION. The parties will first attempt in good faith to resolve through negotiation any dispute or claim arising out of or relating to our mutually approved contract. Either party may initiate negotiations by providing written notice in letter form to the other party. From RGI, the letter shall be titled "Negotiation Letter" and addressed to the appropriate party. From the Owner/RGI's Client, the letter shall be titled "Negotiation Letter" and addressed to the appropriate party. Each party shall respond within 30 business with a written letter on its position on, and recommended solution to, the dispute. If the dispute is not resolved within 30 business days, then each party's representative with full settlement authority will meet within 20 business days in order to exchange relevant information and perspectives, and to attempt to resolve the dispute. If the dispute continues, the dispute shall be submitted to mediation as outlined in the following paragraph.

MEDIATION. The mediation, unless the parties agree otherwise, shall be administered by the American Arbitration Association in accordance with the Construction Industry Mediation Procedures. Either party may commence mediation by providing to the other party a written request for mediation. The parties covenant that they will participate in good faith and that they will share equally in its costs.

All promises, conduct, and statements, written or oral, made in the course of mediation by all parties and stakeholders involved are considered confidential, privileged and inadmissible for any purpose, in any litigation or other proceedings involving the parties, provided that evidence is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. Either party may seek equitable relief prior to mediation to preserve status quo pending completion of the mediation process. Except for such action for relief, neither party may commence a civil action with respect to the matters submitted to mediation until the completion of the initial mediation session, or 60 days after the date of filing the written request for mediation, whichever comes first. Mediation may continue after the commencement of a civil action, if parties desire. The provisions of the clause may be enforced by any court of competent jurisdiction, and the party seeking enforcement shall be entitled to an award of all costs, fees, and expenses, including reasonable attorney fees, to be paid by the party against who enforcement is ordered.

If any party commences an action against the other party without first attempting to resolve the matter through mediation, or refuses to mediate after a written request or demand has been made, then that party shall not be entitled to recover attorney fees, even if they would otherwise be available to the party in such action. A timely response to a request or demand for mediation shall be in writing and provided to the demanding party within 5 business days of the date of the request or demand for mediation to be effective. If parties do not resolve the dispute through mediation, the method of binding dispute resolution shall be litigation in a court of competent jurisdiction.



NO WARRANTIES. There are no expressed or implied warranties regarding any services or work performed by RGI or RGI's subcontractors.

CLIENT REFERENCE PERMISSIONS. The Client agrees to allow RGI the use of their name and project information for marketing materials.

HOLD HARMLESS/INDEMNITY. RGI will take reasonable precautions to minimize property damage related to project activities [including but not limited to damage to underground unmarked metallic and/or non-metallic utilities, piping, asphalt/concrete, lawns, landscaping, underground storage tanks (USTs), and/or other subterranean improvements]. RGI is in no way liable for the costs or repairs or replacement for such damages. If the Client desires to return the property to its former condition, RGI can do so at an additional cost.

For services involving or relating to environmental/geotechnical consulting, engineering, and/or any hazardous or dangerous waste elements, it is agreed that the Client shall indemnify and hold harmless RGI and their consultants, subcontractors, agents, and employees from and against all claims, damages (direct, indirect, or consequential) and/or losses and expenses. Such losses and expenses include, but are not limited to, fees and charges of attorneys, court fees and/or proceedings, and/or arbitration costs.

The above indemnification provision extends to claims against RGI which arise out of, are related to, or are based upon the dispersal, discharge, escape, release, or saturation of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, gasses or any other materials, irritants, contaminants, or pollutants in or into the surface or subsurface of (a) soils, (b) water or water courses, (c) objects, or (d) any tangible or intangible matters, whether sudden or not. In the event that unanticipated conditions are identified in the field during work associated with this agreement, RGI will request instructions from the Client as soon as practical.