ADDENDUM TO AGREEMENT FOR
DSA PROFESSIONAL INSPECTION SERVICES
BETWEEN
JEFFERSON SCHOOL DISTRICT
AND
CHARLES WALKER INSPECTION SERVICES

This is an Addendum to the Agreement ("Agreement") which was made and entered into the 1st day of June 2012 ("Effective Date"), by and between the **JEFFERSON SCHOOL DISTRICT** ("District") and **CHARLES WALKER INSPECTION SERVICES** ("Consultant"), (collectively referred to as the "Parties" and each individually as "Party").

Section 2.1 will be amended as follows to include the addition of the following projects.

2.1 **Project.** District desires to engage Consultant to render Division of the State Architect ("DSA") inspection and testing services as further detailed herein related to the **addition** of the following list of projects:

(b) Monticello School

(iii) Monticello Modernization

(iv) Assist District with clearing open DSA Application Numbers for Monticello School.

JEFFERSON SCHOOL DISTRICT
"District

By: _____

Dana Eaton
Superintendent

Date: 8/22/12

CHARLES WALKER INSPECTION SERVICES
"Consultant"

By: Charles A. Walker

Charles Walker
Inspector

Date: 8/20/12

PROFESSIONAL SERVICES AGREEMENT

ENGEO INCORPORATED

2010 Crow Canyon Place, Suite 250
San Ramon, CA 94583-4634
(925) 866-9000 ♦ FAX (888) 279-2698

Date: September 20, 2012

CLIENT'S COPY

Project No.: P2012.000.072
Phase: 001
ENGEO Contact: Zachary A. Crawford

Client: Jefferson School District
Client Contact: Mindy Maxedon, CBO
Billing Address: 1219 Whispering Wind, Tracy, CA 95377
Project Name and Location: Jefferson School Replacement, 7500 West Linne Road, Tracy, CA 95304
Scope of Services: In accordance with the attached proposal dated February 10, 2012, Revised September 20, 2012
Estimated Fees: $21,600; In accordance with the attached proposal dated February 10, 2012, Revised September 20, 2012. This signed agreement hereby voids the signed agreement dated March 13, 2012.

TERMS AND CONDITIONS

1. This agreement shall be binding upon the heirs, executors, administrators, successors and assigns of Client and ENGEO.
2. This agreement shall not be assigned by either Client or ENGEO without the prior written consent of the other.
3. This agreement contains the entire agreement between Client and ENGEO relating to the project(s) and the provision of services to the project(s). Any prior agreements, promises, negotiations or representations not expressly set forth in this agreement or its referenced documents are of no force or effect. Subsequent modifications to this agreement shall be in writing and signed by both Client and ENGEO.
4. ENGEO's waiver of any term, condition, or covenant, or breach of any term, condition, or covenant, shall not constitute the waiver of any other term, condition, or covenant, or the breach of any other term, condition, or covenant.
5. If any term, condition, or covenant of this agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this agreement shall be valid and binding on Client and ENGEO.
6. This agreement shall be governed by and construed in accordance with the laws of the State of California.
7. ENGEO shall only act as an advisor in all governmental relations. ENGEO shall not be construed as an agent of Client.
8. ENGEO shall sign certifications only if ENGEO approves the form of such certifications prior to the commencement of services, and provided such certifications are limited to statements of professional opinion and do not constitute a warranty or guarantee, expressed or implied.
9. All reports, documents, drawings and other instruments of ENGEO's service, and copies thereof, created by ENGEO pursuant to this agreement, shall remain the property of ENGEO. Client agrees that the instruments of service provided to Client by ENGEO shall not be subject to unauthorized reuse, that is, reuse without written authorization of ENGEO. Such authorization is essential because it requires ENGEO to evaluate the documents' applicability given new circumstances, not the least of which is passage of time. Accordingly, Client agrees to waive any claim against ENGEO, and defend, indemnify and hold ENGEO harmless from any claim or liability for injury or loss allegedly arising from unauthorized reuse of ENGEO's instruments of service. Client further agrees to compensate ENGEO for any time spent or expenses incurred by ENGEO in defense of any such claim, in accordance with ENGEO's prevailing fee schedule and expense reimbursement policy.
10. Samples will be discarded immediately after testing. Those not tested will be discarded 30 days after sampling. Samples shall remain the property of Client, and Client shall be responsible for removal and lawful disposal of hazardous materials and containers.
11. Client shall not permit or authorize changes in the reports and documents prepared by ENGEO pursuant to this agreement. Client acknowledges that any changes and their effects are not the responsibility of ENGEO and Client agrees to release ENGEO from all liability arising from the use of such changes and further agrees to defend, indemnify and hold harmless ENGEO, its officers, directors, principals, agents and employees from and against all claims, demands, damages or costs arising from the changes and their effects.
12. Client acknowledges that its right to utilize the services and instruments of service provided pursuant to this agreement will continue only so long as Client is not in default pursuant to the terms and conditions of this agreement and Client has performed all obligations under this agreement. Client further acknowledges that ENGEO has the unrestricted right to use the services provided pursuant to this agreement as well as all instruments of service provided pursuant to this agreement.
13. Client is to furnish ENGEO free access to the project site in order to make the necessary borings, reconnaissance, or other explorations, whether invasive or noninvasive. ENGEO will exercise reasonable care; but some damage is unavoidable. Cost of repair is not included in the fee and is Client's responsibility.
14. Client shall furnish ENGEO the locations of all underground utilities or buried structures. ENGEO shall not be liable for damage to any utilities or structures which were not accurately defined and/or located by the Client.
15. ENGEO and Client agree that there are risks of earth movement and property damage inherent in field exploration, land development and repair; that ENGEO has not been authorized to perform the exhaustive and economically infeasible investigation necessary to eliminate such risks; and that ENGEO thus does not guarantee or warrant the results of its work.
16. Upon written request, Client shall execute and deliver, or cause to be executed and delivered, such additional instruments, documents, governmental fees and charges which are necessary for ENGEO to perform its obligations under this agreement.
17. Client agrees not to use or permit any other person to use reports or other instruments of service prepared by ENGEO, which reports or other instruments of service are not final and which are not signed, stamped or sealed by ENGEO. Client agrees to be liable and responsible for any such use of nonfinal reports, or other instruments of service not signed, stamped or sealed by ENGEO and waives liability against ENGEO for their use. Client further agrees that final reports or other instruments of service are for the exclusive use of Client and may be used by Client only for the project described on the face hereof.
18. ENGEO has a right to complete all services agreed to be rendered pursuant to this agreement. Either Client or ENGEO may terminate this agreement at any time before completion of all services by giving seven (7) days written notice thereof to the other. If terminated by Client, Client agrees to release ENGEO and hold ENGEO harmless from all liability for work performed.
19. ENGEO shall be entitled to immediately, and without notice, suspend the performance of any and all of its obligations pursuant to this agreement if Client files a voluntary petition seeking relief under the United States Bankruptcy Code or if there is an involuntary bankruptcy petition filed against Client, and that petition is not dismissed within fifteen (15) days of its filing. Any suspension of services made pursuant to this paragraph shall continue until such time as this agreement has been fully and properly assumed in accordance with the applicable provisions of the United States Bankruptcy Code and in compliance with the final order or judgment issued by the Bankruptcy Court.
20. This agreement shall not be construed to alter, affect or waive any lien or stop notice right which ENGEO may have for the performance of services pursuant to this agreement. Client agrees to separately provide to ENGEO the present name and address of the record owner of the property on which the project is to be located. Client also agrees to separately provide ENGEO with the name and address of any and all lenders who would loan money on the project and who are entitled to receive a preliminary notice.
21. If payment for ENGEO's services is to be made on behalf of Client by a third-party lender, Client agrees that ENGEO shall not be required to indemnify the third-party lender, in the form of an endorsement or otherwise, as a condition of receiving payment for services.
22. Charges not paid within thirty (30) days of invoice will accrue a late charge at a rate of 1.5 percent per month. If Client fails to pay ENGEO within thirty (30) days after invoices are rendered, Client agrees that ENGEO has the right to consider such nonpayment a material breach of this entire agreement, and, upon written notice, the duties, obligations, and responsibilities of ENGEO under this agreement are terminated. In such event, Client shall promptly pay ENGEO for all fees, charges, and services provided by ENGEO including collection costs and related attorneys' fees. Client agrees that all billings from ENGEO to Client are correct, conclusive, and binding on Client unless Client, within ten (10) days from the date of receipt of such billing, notifies ENGEO in writing of alleged inaccuracies, discrepancies, or errors in the billing.
23. If ENGEO, pursuant to this agreement, produces reports, or other documents and/or performs field work, and such reports, and other documents and/or field work are required by one or more governmental agency, and one or more such governmental agency changes its ordinances, policies, procedures or requirements after the date of this agreement, any additional office or field work thereby required shall be paid for by Client as extra work.

24. Client agrees that if Client requests services not specified pursuant to the scope of services description within this agreement, Client agrees to pay for all such additional services as extra work.
25. In the event all or any portion of the work prepared or partially prepared by ENGEO is suspended, abandoned, or terminated, Client shall pay ENGEO for all fees, charges, and services provided for the project, not to exceed any limit specified herein. Client acknowledges if the project work is suspended and restarts, there will be additional fees due to suspension of the work which shall be paid by Client as extra work.
26. ENGEO is not responsible for delay caused by factors beyond ENGEO's reasonable control, including but not limited to, delays by reason of strikes, lockouts, work slowdowns or stoppages, accidents, acts of God, failure of Client to furnish timely information or approve or disapprove ENGEO's work promptly, faulty performance by Client or other contractors or governmental agencies. When such delays occur, Client agrees that ENGEO is not responsible for damages nor shall ENGEO be deemed to be in default of this agreement.
27. ENGEO shall not be liable for damages resulting from the actions or inactions of governmental agencies including, but not limited to, permit processing, environmental reports, dedications, general plans and amendments thereto, zoning matters, annexations or consolidations, use or conditional use permits, project or plan approvals, or building permits.
28. Client agrees that in the event Client institutes litigation to enforce or interpret the provisions of this agreement, such litigation is to be brought and adjudicated in the appropriate court in the county in which ENGEO's principal place of business is located, and Client waives the right to bring, try or remove such litigation to any other county or judicial district.
29. Client acknowledges that ENGEO is not responsible for the performance or work by third parties including, but not limited to, the construction contractor and its subcontractors.
30. Client acknowledges that the work performed pursuant to this agreement is based upon field and other conditions discovered at the time of preparation of ENGEO's work. Client further acknowledges that field and other conditions may change by the time project construction occurs and clarification, adjustments, modifications or other changes may be necessary to reflect changed field or other conditions. If the scope of services pursuant to this agreement does not include on-site construction observation, or if subsequent to this agreement Client retains other persons or entities to provide such services, Client acknowledges that such services will be performed by others and Client will defend, indemnify and hold ENGEO harmless from any and all claims arising from or resulting from the performance of such services by other persons or entities except claims caused by the sole negligence or willful misconduct of ENGEO; and from any and all claims arising from or resulting from clarifications, adjustments, modifications or other changes necessary to reflect changed field or other conditions, except claims caused by the sole negligence or willful misconduct of ENGEO.
31. In the event Client discovers or becomes aware of field or other conditions which necessitate clarifications, adjustments, modifications or other changes during the construction phase of the project, Client agrees to notify ENGEO and engage ENGEO to prepare the necessary clarifications, adjustments, modifications or other changes to ENGEO's work before construction activities commence or further activity proceeds. Further, Client agrees to have a provision in its construction contracts for the project which requires the contractor to notify Client of any changed field or other conditions so that Client may in turn notify ENGEO pursuant to the provisions of this paragraph.
32. Client agrees that the sole recourse for damages to Client arising from the services provided to Client by ENGEO under this agreement shall be against ENGEO and Client waives any claim against any employees, directors, officers, agents, or affiliates of ENGEO.
33. The fee(s) quoted in this contract is valid for 60 days from the contract date and unless stated otherwise, is approximate only.
34. ENGEO'S LIABILITY FOR DAMAGE DUE TO PROFESSIONAL NEGLIGENCE, ACTS, ERRORS, OMISSIONS, BREACH OF CONTRACT AND CONSEQUENTIAL DAMAGES WILL BE LIMITED BY CLIENT TO AN AMOUNT NOT TO EXCEED AN AGGREGATE LIMIT OF FIFTY THOUSAND DOLLARS ($50,000) OR ENGEO'S FEE, WHICHEVER IS GREATER, REGARDLESS OF THE LEGAL THEORY UNDER WHICH SUCH LIABILITY IS IMPOSED. In the event that Client does not wish to limit ENGEO's liability in accordance with the provisions stated herein, ENGEO agrees to waive this limitation upon written notice from the Client received within five (5) days after the date this agreement is fully executed, and Client agrees to pay Two Hundred Fifty Thousand Dollars, ($250,000.00) or an additional sum equivalent to ten percent (10%) of the total fee, whichever is greater, said consideration to be called "Waiver of Limitation of Professional Liability Charge." This charge will in no way be construed as being a charge for insurance of any type, but will be increased consideration for the greater risk involved in performing work for which there is no limitation of liability. ENGEO and Client each agree that in no event will either hold the other liable for incidental or consequential damages in connection with any claim arising from or related to this agreement or ENGEO's services. Client further agrees to notify any contractor and subcontractor who may perform work in connection with any design, report or study prepared by ENGEO of such limitation of professional liability for design defects, errors, omissions, professional negligence, breach of contract and consequential damages, and to require as a condition precedent to their performing their work, a like limitation of liability on their part as against ENGEO.
35. Client agrees that in accordance with generally accepted construction practices, construction contractor will be required to assume sole and complete responsibility for job site conditions during the course of construction of the project, including safety of all persons and property, that this requirement shall be made to apply continuously and not be limited to normal working hours, and Client further agrees to defend, indemnify and hold ENGEO harmless from any and all liability, real or alleged, in connection with the performance of work on this project, excepting liability arising from the sole negligence of ENGEO.
36. Client acknowledges that ENGEO's scope of services for this project does not include removal or abatement of environmental contaminants. Should ENGEO or any other party encounter such materials on the job site, or should it in any other way become known that such materials are present or may be present on the job site or any nearby areas which may affect ENGEO's work, ENGEO may, at its option, terminate work on the project until such time as Client retains ENGEO to mitigate, abate and/or remove environmental contaminants. Client agrees that the discovery of unanticipated environmental contaminants may make it necessary for ENGEO to take immediate measures to protect health and safety. Client agrees to compensate ENGEO for all costs incident to the discovery of environmental contaminants.
37. Client recognizes that ENGEO's failure to detect the presence of environmental contaminants at a site, even though environmental contaminants may be assumed or expected to exist through the use of appropriate sampling techniques, does not guarantee that environmental contaminants do not exist at the site. Similarly, Client recognizes that ENGEO's subsurface explorations may not encounter environmental contaminants at a site, which may later be discovered. Client agrees to waive any claim against ENGEO and agrees to defend, indemnify and hold ENGEO harmless from claims or liability for injury or loss arising from ENGEO's failure to detect the presence of environmental contaminants through techniques commonly employed for the purpose.
38. Client agrees to save, indemnify, and hold harmless ENGEO against any and all liability, claims, judgments, or demands, arising from injuries or death of persons (Client's employees, subcontractors, and consultants included), damage to property, diminution in property value arising directly or indirectly out of the obligations herein undertaken or out of the services rendered by ENGEO, save and except claims or litigation arising through the sole negligence or sole willful misconduct of ENGEO, and will make good to and reimburse ENGEO for any expenditures, including reasonable attorneys fees, ENGEO may incur in such matters, and, if requested by ENGEO, will defend any such suits at the sole cost and expense of the Client.
39. Subject to any shorter period provided under applicable statutes of limitations, Client agrees that it will not assert any claim or action arising from or in any way related to ENGEO's services under this agreement later than three years following the Completion Date. This provision applies regardless of whether such claim or action alleges breach of contract, tort, indemnity, or any other legal theory, and regardless of whether it alleges any patent or latent deficiency in ENGEO's services. The Completion Date relating to the services performed under this agreement is the date of the last published technical document required under this agreement.

ENGEO INCORPORATED

By: Date: 10/4/12
Print Name: James G. Moore, Jr.
Title: Principal
Engineer's License No.: CE 56778

CLIENT: Jefferson School District

By: Date: 9-26-12
Print Name: MINDY MAXEDON
Title: CHIEF BUSINESS OFFICER

ENGEO INCORPORATED

GEOTECHNICAL
ENVIRONMENTAL
WATER RESOURCES
CONSTRUCTION SERVICES

Project No.
P2012.000.072

February 10, 2012
Revised September 20, 2012

Ms. Mindy Maxedon
Jefferson School District
1219 Whispering Wind Drive
Tracy, CA 95377

c/o Charlene Yarnall
PJHM Architects, Inc.
24461 Ridge Route Drive, #100
Laguna Hills, CA 92653

Subject: Jefferson School Replacement
7500 West Linne Road
Tracy, California

PROPOSAL FOR GEOTECHNICAL EXPLORATION AND GEOLOGIC HAZARDS EVALUATION REPORT

Dear Ms. Maxedon:

We are pleased to present this proposal to conduct a geotechnical exploration for the proposed Kindergarten through 8th-grade School located on the southeast corner of West Linne Road and Chrisman Road in Tracy, California. ENGEO is the premier choice as we have the technical expertise, local experience, and unsurpassed dedication to client service. A few of the items that separate us from other geotechnical engineering companies are:

- We have completed geotechnical reports on more than 50 school sites over the last year, many of which have already been approved by CGS and DSA.
- We are the Geotechnical Engineer of Record for Linne Estates residential development located just northwest of the subject school site.
- We have completed several geotechnical reports within close proximity to the school site, including dozens of subsurface explorations.
- We were voted as one of the top 10 best places to work in the Nation by our employees; we are dedicated to providing the best service to both our clients and employees.

In preparation of this proposal, we performed the following tasks:

- We reviewed the Jefferson School Replacement Geotechnical Services Exhibit prepared by PJHM.
- We reviewed the relevant seismic hazard zones and geological maps.

- We reviewed the California Geologic Survey (CGS) - Note 48 checklist for the Review of Engineering Geology and Seismology Reports for California Public Schools.
- We reviewed our existing geotechnical data for Linne Estates project to the Northwest.
- We briefly discussed the proposed project with you.
- We observed the existing site conditions.

PROJECT DESCRIPTION AND SITE GEOLOGIC BACKGROUND

The proposed project consists of demolition of the existing school buildings, and construction of one new building, a parking lot, and a water tank and pump station as shown on the Schematic Design Package dated June 19, 2012 provided by PJHM Architects. It is our understanding that the proposed building will have a footprint totaling approximately 33,000 square feet.

The project is located on the western margin of the Great Valley Geologic province of California, adjacent to the Coast Range Province. The Great Valley is a northwest-southeast-trending elongated structural trough, which has been filled with a sequence of sedimentary deposits from Jurassic to Recent geologic age. Older sediments are mostly of marine origin with younger sediments becoming more continental. Most of the sediments were derived from erosion of the Sierra Nevada Mountains to the east and, to a lesser extent, from the Coast Ranges to the west. The overall thickness of sediments, up to 40,000 feet, tends to be greater approaching the western margin of the valley. Based on review of published geologic maps, the Jefferson school site is located on alluvial fan deposits of recent (Holocene Age) sediments emanating from the eastern flank of the Coast Range.

We also reviewed the Seismic Hazards Zones Map for the subject site and there are no known active or potentially active faults crossing the site, and the site is not within the State of California Earthquake Fault Hazard Zone.

SCOPE OF SERVICES

The geotechnical exploration will include a geologic hazards assessment, field exploration, and preparation of a combined geotechnical and a geological hazards report in general conformance with the requirements of the Division of State Architects Office (DSA) and California Geologic Survey (CGS) as indicated in IR A-4 (revised 10/11) and CGS Note 48 (revised 01/11). A Site-Specific Ground Motion Analysis, per Item 16 of CGS Note 48 and the 2010 California Building Code, is not required, and therefore, is not included in this scope of services.

Task 1.0 Field Exploration

Based on the requirements of CGS Note 48, a minimum of one subsurface exploration per 5,000 square feet with a minimum of two explorations for any one building, will be performed. Based on our review of the Geotechnical Services Exhibit provided by you, it is our

understanding that the proposed building will have a total footprint of approximately 33,000 square feet; therefore, a total of seven explorations will be required to meet the CGS Note 48 requirements for the proposed building. Four additional explorations are proposed in the locations of the water tank and parking area for a total of 11 exploration locations. All of the explorations will extend to depths ranging from 15 to 50 feet. The proposed number of explorations has been established to comply with DSA and CGS requirements. A summary of the proposed buildings and number of explorations per building is presented below.

Space	Approximate Building Footprint sq/ft	Proposed Number of Explorations
New Building (Building 'A')	33,000	7*
Parking Lot Area	-	2
Water Tank	-	1
Pump Station	-	1
	TOTAL	11

* Required By CGS – Note 48

Task 1.0 Field Exploration

Subsurface conditions will be investigated using solid flight and mud rotary drilling equipment. An ENGEO engineer or geologist will observe the exploration, log the soils encountered and obtain samples at regular intervals for further visual classification and laboratory testing. All explorations will be accurately located in the field.

Prior to performing the explorations, we will obtain the necessary permits from the San Joaquin County Heath Services Department. We will mark our proposed exploration locations in the field and notify Underground Service Alert (USA) of our intent to excavate.

Task 2.0 Laboratory Testing

The engineering characteristics of the soils will be evaluated by laboratory testing. The samples will be re-examined in our laboratory to verify field classifications, and the testing program will likely include moisture content/dry density determinations, shear strength, plasticity and expansion index, sieve analysis and/or percentage passing a #200 sieve, as appropriate. A corrosivity analysis including sulfate ion concentration testing will be conducted on at least one near-surface soil sample.

Task 3.0 Engineering Analysis, Geologic Hazards Evaluation and Final Report

Upon completion of our exploration, we will prepare a report in general conformance with the requirements of DSA and CGS Note 48 that will include our findings, conclusions, and recommendations. The report will describe subsurface conditions at the site and will include field

data, exploration logs, a geologic cross-section, and a site plan showing the location of the explorations and important site features. The report will present discussions, conclusions, and recommendations regarding the following:

- Soil, bedrock and groundwater conditions at the site.
- Site seismicity, geologic and seismic hazards.
- A Geologic Hazard Evaluation that meets the current DSA requirements as indicated in IR-A4 revised November 2007 and California Geologic Survey Note 48 revised January 1, 2011.
- The most appropriate foundation type for the proposed structures including the allowable bearing pressures and lateral earth pressure coefficients.
- Design criteria for the recommended foundation type.
- Site drainage requirements.
- Parking lot recommendations.
- Grading recommendations.
- Concrete flatwork recommendations.
- Site drainage recommendations.
- 2010 California Building Code soil profile type and near-source factors.

SCHEDULE

Depending upon the weather, drilling equipment availability and permit requirements, our geotechnical exploration will commence within two weeks following your authorization. We estimate that the time required to complete the field exploration and percolation testing will be four days. Our report should be completed in four weeks following the completion of our field investigation. *We assume that the site will be accessible for our field exploration during regular business hours. If evening or weekend work is required, our fee will be increased as discussed below to accommodate overtime charges.* If this schedule does not meet your needs, please notify us and we can attempt to modify the schedule duration.

FEE

We propose to perform the services outlined above for a fee of **$17,900.** As discussed above, if weekend or evening work is required in order to complete the field portion of our study, the fee to provide the above-described services will be performed for a fee of **$21,600**.

Necessary removal of fences, unlocking of gates, removal of parked vehicles, permission to enter the site from the current owner or leaseholder, and/or required use permits need to be secured by the client prior to our field activities. If site access or weather conditions restrict our field operations, a revision to our estimate may be necessary.

The scope of services described above does not include the assessment of environmental characteristics involving hazardous or toxic substances. In the event potentially hazardous materials are identified visually or by odor within our explorations, we will notify you as soon as possible of such an occurrence in order to decide mutually whether to continue, suspend, modify, or cease the remainder of the field exploration program. All costs incurred as a result of encountering suspected hazardous materials would be charged on a time-and-expense basis.

As previously discussed, A Site-Specific Ground Motion Analysis is not required per item 16 of CGS note 48 and the 2010 California Building Code. However, CGS can request that this be performed during their review process. If this occurs, we can perform this scope of work for $2,500.

RECOMMENDED DESIGN AND CONSTRUCTION PHASE SUPPORT

During the design and review phase for the proposed improvements, we anticipate that the following services will be performed at time and expense in addition to the above scope of work:

- Attending planning meeting/teleconference with structural consultant and project architect to verify that the geotechnical report is responsive to the planned improvements.

- Requested revisions and resubmittals based on review comments.

- Provide as-needed engineering consultation to the office of the State Architect (DSA) and/or California Geologic Survey during the review and approval of the geotechnical report and geologic hazard study.

Hydrology and stormwater management services, testing and observation services during site development can be provided on a time-and-expense basis under separate service agreements. These services are offered to satisfy regulatory agencies, to evaluate compliance with the requirements of our report, and to make adjustments to our recommendations as appropriate during actual site development.

Materials testing services for concrete, masonry and steel, as described in the California Building Code, can also be provided on a time-and-expense basis to evaluate compliance with agency approved project plans and specifications.

An estimate of the total fees for the above listed phases of service can be provided after a detailed project schedule is completed.

LIMITATIONS

In the event that the character of the project changes, additional exploration may be required which will result in additional expenses. No warranties are expressed or implied.

ENGEO's liability for damage due to professional negligence, acts, errors, omissions, breach of contract and consequential damages will be limited by Client to an amount not to exceed an aggregate limit of Fifty Thousand Dollars ($50,000.00) or ENGEO's fee, whichever is greater, regardless of the legal theory under which such liability is imposed.

If you are in agreement with the scope of service and fee outlined in this proposal, please sign and return a copy of the enclosed Professional Services Agreement as our authorization to proceed. A fully executed copy will be returned to you for your records. *Our service will not commence without prior receipt of an executed agreement and retainer.*

We look forward to working with you on this project. If you have any questions regarding the scope of services or fee estimate described herein, please do not hesitate to contact us.

Sincerely,

ENGEO Incorporated

Zac Crawford, CEG
Senior Geologist

Josef J Tootle, GE
Principal

zac/jjt/cjn:pro

Attachments: Professional Services Agreement
List of Services

PROFESSIONAL SERVICES AGREEMENT

ENGEO INCORPORATED

2010 Crow Canyon Place, Suite 250
San Ramon, CA 94583-4634
(925) 866-9000 ♦ FAX (888) 279-2698

Date: March 13, 2012

Project No.: P2012.000.072
Phase: 001
ENGEO Contact: Zachary A. Crawford

9542.000.000

Client: Jefferson School District
Client Contact: c/o Charlene Yarnall, PJHM Architects, Inc.
Billing Address: 24461 Ridge Route Drive, #100, Laguna Hills, CA 92653
Project Name and Location: Jefferson School Replacement, 7500 West Linne Road, Tracy, CA 95304
Scope of Services: In accordance with the attached revised proposal dated March 13, 2012
Estimated Fees: $21,800; in accordance with the attached revised proposal dated March 13, 2012

Received
JUL 2012
School District
Business Services
Tracy, CA 95377

TERMS AND CONDITIONS

1. This agreement shall be binding upon the heirs, executors, administrators, successors and assigns of Client and ENGEO.
2. This agreement shall not be assigned by either Client or ENGEO without the prior written consent of the other.
3. This agreement contains the entire agreement between Client and ENGEO relating to the project(s) and the provisi[illegible] of services to the project(s). Any prior agreements, promises, negotiations or representations not expressly set forth in this agreem[illegible] or its referenced documents are of no force or effect. Subsequent modifications to this agreement shall be in writing and signed by both Cli[illegible] and ENGEO.
4. ENGEO's waiver of any term, condition, or covenant, or breach of any term, condition, or covenant, shall not constitute the [illegible] of any other term, condition, or covenant, or the breach of any other term, condition, or covenant.
5. If any term, condition, or covenant of this agreement is held by a court of competent jurisdiction to be invalid, void or un[illegible]able, the remaining provisions of this agreement shall be valid and binding on Client and ENGEO.
6. This agreement shall be governed by and construed in accordance with the laws of the State of California.
7. ENGEO shall only act as an advisor in all governmental relations. ENGEO shall not be construed as an agent of Client.
8. ENGEO shall sign certifications only if ENGEO approves the form of such certifications prior to the commencement of services, and provided such certifications are limited to statements of professional opinion and do not constitute a warranty or guarantee, expressed or implied.
9. All reports, documents, drawings and other instruments of ENGEO's service, and copies thereof, created by ENGEO pursuant to this agreement, shall remain the property of ENGEO. Client agrees that the instruments of service provided to Client by ENGEO shall not be subject to unauthorized reuse, that is, reuse without written authorization of ENGEO. Such authorization is essential because it requires ENGEO to evaluate the documents' applicability given new circumstances, not the least of which is passage of time. Accordingly, Client agrees to waive any claim against ENGEO, and defend, indemnify and hold ENGEO harmless from any claim or liability for injury or loss allegedly arising from unauthorized reuse of ENGEO's instruments of service. Client further agrees to compensate ENGEO for any time spent or expenses incurred by ENGEO in defense of any such claim, in accordance with ENGEO's prevailing fee schedule and expense reimbursement policy.
10. Samples will be [illegible]arded immediate[illegible]ter testi[illegible]ted will be [illegible]arded [illegible]ling. Samples shall remain the property of Client [illegible] Client shall be [illegible]ponsible [illegible]emoval and [illegible] disposa[illegible] hazard[illegible] materials and [illegible]ainers.
11. Client shall not p[illegible]it or authori[illegible]hanges [illegible] the reports and [illegible]uments [illegible]pared [illegible] ENGEO pursu[illegible]o this agreement. Client acknowledges that [illegible] changes and [illegible]ir effe[illegible]re not the responsi[illegible] of E[illegible]O and [illegible]nt agrees to rel[illegible] ENGEO from all liability arising from the use [illegible]uch chan[illegible] and fur[illegible] agrees to defend, in[illegible]nify [illegible]hold ha[illegible]ess ENGEO, its [illegible]cers, directors, principals, agents and employees [illegible]n and a[illegible]st all cla[illegible] demands, damages o[illegible]sts ari[illegible] from t[illegible]hanges and their [illegible]cts.
12. Client acknowledges t[illegible]s rig[illegible] utilize th[illegible]rvices and instrume[illegible] serv[illegible]provide[illegible]rsuant to this ag[illegible]ent will continue only so long as Client is not in [illegible]fault [illegible]rsuant to th[illegible]rms and conditions [illegible]this ag[illegible]ment a[illegible] Client has perfo[illegible] all obligations under this agreement. Client furthe[illegible]kn[illegible]ledges that E[illegible]O has the unres[illegible]d right t[illegible]e the s[illegible]ces provided p[illegible]nt to this agreement as well as all instruments of servi[illegible]ded pursuant to [illegible]reement.
13. Client is to furnish ENGE[illegible] access to the proj[illegible]er to make t[illegible]necessa[illegible]naissance, or other explorations, whether invasive or noninvasive. ENGEO will exercise reasonable care; but some damage is unavoidable. Cost of repair is not included in the fee and is Client's responsibility.
14. Client shall furnish ENGEO the locations of all underground utilities or buried structures. ENGEO shall not be liable for damage to any utilities or structures which were not accurately defined and/or located by the Client.
15. ENGEO and Client agree that there are risks of earth movement and property damage inherent in field exploration, land development and repair; that ENGEO has not been authorized to perform the exhaustive and economically infeasible investigation necessary to eliminate such risks; and that ENGEO thus does not guarantee or warrant the results of its work.
16. Upon written request, Client shall execute and deliver, or cause to be executed and delivered, such additional instruments, documents, governmental fees and charges which are necessary for ENGEO to perform its obligations under this agreement.
17. Client agrees not to use or permit any other person to use reports or other instruments of service prepared by ENGEO, which reports or other instruments of service are not final and which are not signed, stamped or sealed by ENGEO. Client agrees to be liable and responsible for any such use of nonfinal reports, or other instruments of service not signed, stamped or sealed by ENGEO and waives liability against ENGEO for their use. Client further agrees that final reports or other instruments of service are for the exclusive use of Client and may be used by Client only for the project described on the face hereof.
18. ENGEO has a right to complete all services agreed to be rendered pursuant to this agreement. Either Client or ENGEO may terminate this agreement at any time before completion of all services by giving seven (7) days written notice thereof to the other. If terminated by Client, Client agrees to release ENGEO and hold ENGEO harmless from all liability for work performed.
19. ENGEO shall be entitled to immediately, and without notice, suspend the performance of any and all of its obligations pursuant to this agreement if Client files a voluntary petition seeking relief under the United States Bankruptcy Code or if there is an involuntary bankruptcy petition filed against Client, and that petition is not dismissed within fifteen (15) days of its filing. Any suspension of services made pursuant to this paragraph shall continue until such time as this agreement has been fully and properly assumed in accordance with the applicable provisions of the United States Bankruptcy Code and in compliance with the final order or judgment issued by the Bankruptcy Court.
20. This agreement shall not be construed to alter, affect or waive any lien or stop notice right which ENGEO may have for the performance of services pursuant to this agreement. Client agrees to separately provide to ENGEO the present name and address of the record owner of the property on which the project is to be located. Client also agrees to separately provide ENGEO with the name and address of any and all lenders who would loan money on the project and who are entitled to receive a preliminary notice.
21. If payment for ENGEO's services is to be made on behalf of Client by a third-party lender, Client agrees that ENGEO shall not be required to indemnify the third-party lender, in the form of an endorsement or otherwise, as a condition of receiving payment for services.
22. Charges not paid within thirty (30) days of invoice will accrue a late charge at a rate of 1.5 percent per month. If Client fails to pay ENGEO within thirty (30) days after invoices are rendered, Client agrees that ENGEO has the right to consider such nonpayment a material breach of this entire agreement, and, upon written notice, the duties, obligations, and responsibilities of ENGEO under this agreement are terminated. In such event, Client shall promptly pay ENGEO for all fees, charges, and services provided by ENGEO including collection costs and related attorneys' fees. Client agrees that all billings from ENGEO to Client are correct, conclusive, and binding on Client unless Client, within ten (10) days from the date of receipt of such billing, notifies ENGEO in writing of alleged inaccuracies, discrepancies, or errors in the billing.
23. If ENGEO, pursuant to this agreement, produces reports, or other documents and/or performs field work, and such reports, and other documents and/or field work are required by one or more governmental agency, and one or more such governmental agency changes its ordinances, policies, procedures or requirements after the date of this agreement, any additional office or field work thereby required shall be paid for by Client as extra work.

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24. Client agrees that if Client requests services not specified pursuant to the scope of services description within this agreement, Client agrees to pay for all such additional services as extra work.
25. In the event all or any portion of the work prepared or partially prepared by ENGEO is suspended, abandoned, or terminated, Client shall pay ENGEO for all fees, charges, and services provided for the project, not to exceed any limit specified herein. Client acknowledges if the project work is suspended and restarts, there will be additional fees due to suspension of the work which shall be paid by Client as extra work.
26. ENGEO is not responsible for delay caused by factors beyond ENGEO's reasonable control, including but not limited to, delays by reason of strikes, lockouts, work slowdowns or stoppages, accidents, acts of God, failure of Client to furnish timely information or approve or disapprove ENGEO's work promptly, faulty performance by Client or other contractors or governmental agencies. When such delays occur, Client agrees that ENGEO is not responsible for damages nor shall ENGEO be deemed to be in default of this agreement.
27. ENGEO shall not be liable for damages resulting from the actions or inactions of governmental agencies including, but not limited to, permit processing, environmental reports, dedications, general plans and amendments thereto, zoning matters, annexations or consolidations, use or conditional use permits, project or plan approvals, or building permits.
28. Client agrees that in the event Client institutes litigation to enforce or interpret the provisions of this agreement, such litigation is to be brought and adjudicated in the appropriate court in the county in which ENGEO's principal place of business is located, and Client waives the right to bring, try or remove such litigation to any other county or judicial district.
29. Client acknowledges that ENGEO is not responsible for the performance or work by third parties including, but not limited to, the construction contractor and its subcontractors.
30. Client acknowledges that the work performed pursuant to this agreement is based upon field and other conditions discovered at the time of preparation of ENGEO's work. Client further acknowledges that field and other conditions may change by the time project construction occurs and clarification, adjustments, modifications or other changes may be necessary to reflect changed field or other conditions. If the scope of services pursuant to this agreement does not include on-site construction observation, or if subsequent to this agreement Client retains other persons or entities to provide such services, Client acknowledges that such services will be performed by others and Client will defend, indemnify and hold ENGEO harmless from any and all claims arising from or resulting from the performance of such services by other persons or entities except claims caused by the sole negligence or willful misconduct of ENGEO; and from any and all claims arising from or resulting from clarifications, adjustments, modifications or other changes necessary to reflect changed field or other conditions, except claims caused by the sole negligence or willful misconduct of ENGEO.
31. In the event Client discovers or becomes aware of field or other conditions which necessitate clarifications, adjustments, modifications or other changes during the construction phase of the project, Client agrees to notify ENGEO and engage ENGEO to prepare the necessary clarifications, adjustments, modifications or other changes to ENGEO's work before construction activities commence or further activity proceeds. Further, Client agrees to have a provision in its construction contracts for the project which requires the contractor to notify Client of any changed field or other conditions so that Client may in turn notify ENGEO pursuant to the provisions of this paragraph.
32. Client agrees that the sole recourse for damages to Client arising from the services provided to Client by ENGEO under this agreement shall be against ENGEO and Client waives any claim against any employees, directors, officers, agents, or affiliates of ENGEO.
33. The fee(s) quoted in this contract is valid for 60 days from the contract date and unless stated otherwise, is approximate only.
34. ENGEO'S LIABILITY FOR DAMAGE DUE TO PROFESSIONAL NEGLIGENCE, ACTS, ERRORS, OMISSIONS, BREACH OF CONTRACT AND CONSEQUENTIAL DAMAGES WILL BE LIMITED BY CLIENT TO AN AMOUNT NOT TO EXCEED AN AGGREGATE LIMIT OF FIFTY THOUSAND DOLLARS ($50,000) OR ENGEO'S FEE, WHICHEVER IS GREATER, REGARDLESS OF THE LEGAL THEORY UNDER WHICH SUCH LIABILITY IS IMPOSED. In the event that Client does not wish to limit ENGEO's liability in accordance with the provisions stated herein, ENGEO agrees to waive this limitation upon written notice from the Client received within [illegible] (5) days after t[illegible]ate this [illegible]ly executed [illegible]d Clie[illegible] Two Hundred Fifty Thousand Dollars, ($250,00[illegible]) or an additio[illegible] sum eq[illegible]ent to ten pe[illegible] (10%) o[illegible] total [illegible] whichever is [illegible]er, said consideration to be called "Waiver of [illegible]itation of Pro[illegible]ional L[illegible]ity Charge." Th[illegible]arge wi[illegible] no wa[illegible] construed as b[illegible] a charge for insurance of any type, but will b[illegible]creased co[illegible]eration [illegible] the greater risk inv[illegible]d in p[illegible]ming [illegible]k for which the[illegible] no limitation of liability. ENGEO and Client e[illegible] agree tha[illegible] no even[illegible]l either hold the othe[illegible]ble fo[illegible]cidenta[illegible] consequential da[illegible]es in connection with any claim arising from or [illegible]ted to t[illegible] agreem[illegible] ENGEO's services. [illegible]ent f[illegible]r agre[illegible] notify any cont[illegible]r and subcontractor who may perform work in c[illegible]ectio[illegible]th any des[illegible] report or study pre[illegible]d by E[illegible]EO of [illegible] limitation of p[illegible]ssional liability for design defects, errors, omission[illegible]rof[illegible]onal negligen[illegible] breach of contrac[illegible] conse[illegible]ntial da[illegible]ges, and to requ[illegible]s a condition precedent to their performing their wo[illegible] limitation of li[illegible] on their pa[illegible]gainst E[illegible]O.
35. Client agrees that in accor[illegible] with generally acc[illegible] practices, [illegible]structi[illegible] required to assume sole and complete responsibility for job site conditions during the course of construction of the project, including safety of all persons and property; that this requirement shall be made to apply continuously and not be limited to normal working hours, and Client further agrees to defend, indemnify and hold ENGEO harmless from any and all liability, real or alleged, in connection with the performance of work on this project, excepting liability arising from the sole negligence of ENGEO.
36. Client acknowledges that ENGEO's scope of services for this project does not include removal or abatement of environmental contaminants. Should ENGEO or any other party encounter such materials on the job site, or should it in any other way become known that such materials are present or may be present on the job site or any nearby areas which may affect ENGEO's work, ENGEO may, at its option, terminate work on the project until such time as Client retains ENGEO to mitigate, abate and/or remove environmental contaminants. Client agrees that the discovery of unanticipated environmental contaminants may make it necessary for ENGEO to take immediate measures to protect health and safety. Client agrees to compensate ENGEO for all costs incident to the discovery of environmental contaminants.
37. Client recognizes that ENGEO's failure to detect the presence of environmental contaminants at a site, even though environmental contaminants may be assumed or expected to exist through the use of appropriate sampling techniques, does not guarantee that environmental contaminants do not exist at the site. Similarly, Client recognizes that ENGEO's subsurface explorations may not encounter environmental contaminants at a site, which may later be discovered. Client agrees to waive any claim against ENGEO and agrees to defend, indemnify and hold ENGEO harmless from claims or liability for injury or loss arising from ENGEO's failure to detect the presence of environmental contaminants through techniques commonly employed for the purpose.
38. Client agrees to save, indemnify, and hold harmless ENGEO against any and all liability, claims, judgments, or demands, arising from injuries or death of persons (Client's employees, subcontractors, and consultants included), damage to property, diminution in property value arising directly or indirectly out of the obligations herein undertaken or out of the services rendered by ENGEO, save and except claims or litigation arising through the sole negligence or sole willful misconduct of ENGEO, and will make good to and reimburse ENGEO for any expenditures, including reasonable attorneys fees, ENGEO may incur in such matters, and, if requested by ENGEO, will defend any such suits at the sole cost and expense of the Client.
39. Subject to any shorter period provided under applicable statutes of limitations, Client agrees that it will not assert any claim or action arising from or in any way related to ENGEO's services under this agreement later than three years following the Completion Date. This provision applies regardless of whether such claim or action alleges breach of contract, tort, indemnity, or any other legal theory, and regardless of whether it alleges any patent or latent deficiency in ENGEO's services. The Completion Date relating to the services performed under this agreement is the date of the last published technical document required under this agreement.

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ENGEO INCORPORATED

By: [signature] Date: 7-5-12
Print Name: James Moore
Title: Principal
Engineer's License No.:

CLIENT: Jefferson School District

By: [signature] Date: 6/22/12
Print Name: Dana Eaton
Title: Superintendent