

June 30, 2005

Honorable Doug Formon
City Hall
515 West Washington Ave.
Jonesboro, AR 72401

RE: Proposal to Provide Engineering Services related to the Structural Assessment of the Buildings located at the Former City of Jonesboro Landfill on Strawfloor Road
FTN No. P4000-05-02 Revised

Dear Mayor Formon:

FTN Associates, Ltd. (FTN) is pleased to submit the following proposal to provide professional engineering services for performing a structural assessment of the buildings located at the former City of Jonesboro Landfill on Strawfloor Road (the Project).

Tasks will be conducted in accordance with the printed Scope of Work for Basic Services (Exhibit A) and subject to the Standard Terms and Conditions (Exhibit B), which are attached to this letter. We will also furnish such Additional Services as you may request.

You are expected to furnish us with full information as to your requirements, including any special or extraordinary considerations for the Project or special services needed, and to make available all pertinent existing data. In addition, we request that you provide information concerning the potential health and/or physical hazards present at the facility to which FTN employees could be exposed. This information (i.e., Material Safety Data Sheets, etc.) is needed to ensure FTN's compliance with the OSHA Hazard Communication Standard.

Our fee for Basic Services will be based on a time and materials basis using the rates in the attached Rate Schedule (Exhibit C). Our proposed budget for the Project is \$6,900. Any Additional Services will be charged on the basis of time and materials (Exhibit C).

We will bill you monthly for Services and Reimbursable Expenses, with invoices to be paid within 30 days. The above financial arrangements are on the basis of prompt payment of our bills and the orderly and continuous progress of the Project.

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We expect to start our services promptly after receipt of your acceptance of this proposal and to complete the report by early August 2005.

If there are protracted delays for reasons beyond our control, we would expect to negotiate with you an equitable adjustment of our compensation taking into consideration the impact of such delays including but not limited to changes in price indices and pay scales applicable to the period when services are in fact being rendered.

This proposal, which includes Exhibits A, B, and C consisting of 5 pages, represents the entire understanding between you and FTN with respect to the Project and may only be modified in writing and signed by both parties. If the attached proposal is acceptable to you, please execute and return one of the signed copies authorizing us to proceed. This proposal will be open for acceptance until July 15, 2005 unless changed by us in writing.

We appreciate the opportunity to submit this proposal and look forward to working with you on this project. If you have any questions regarding the enclosed information, please do not hesitate to call Mark Koch, REM or me at (501) 225-7779.

Respectfully submitted,
FTN ASSOCIATES, LTD.



Paul Crawford, PE, PG
Project Manager

PWC/bls

Accepted this _____ day
of _____, 2005

By _____
Authorized Representative



EXHIBIT A

Scope of Work for Basic Services Structural Assessment of City of Jonesboro Buildings Located at the Closed City of Jonesboro Landfill 1624 Strawfloor Road Jonesboro, Arkansas

Attached to and made part of the Letter Agreement dated June 28, 2005 between FTN Associates, Ltd. (FTN) and Doug Formon, Mayor (Client) in respect to the Project described therein. The objective, specific tasks, and proposed schedule for the Project are as follows.

Project Objective

The objective of this project is to perform a structural assessment of the ten buildings located at the closed City of Jonesboro Landfill located at 1624 Strawfloor Road to determine the integrity of the buildings. The findings of the assessment will be provided in a summary report to the Client.

Project Tasks

The specific tasks to be accomplished are as follows:

1. Perform an assessment of each of the ten buildings reviewing the integrity of the building foundation and frame. Each building will be evaluated to determine if deformation or degradation has compromised the structural integrity.
2. Prepare a detailed report of the assessment providing a summary of the evaluation including a discussion of any potential mitigation procedures.

Project Schedule

The following schedule is proposed for the project:

1. Perform building assessment within two weeks of notice to proceed.
2. Prepare report and submit to the Client within three weeks after building assessment.

Assumptions

1. The building assessment includes a review of accessible areas of the ten city buildings.
2. The structural assessment does not include a determination of the adequacy of the original building design or the bearing capacity of the underlying soils and foundation.
3. The report will include potential mitigation procedures, if possible, for structural components that may be degraded or deformed. The report will provide guidance for the potential mitigation solutions but will not include detailed drawings or design solutions.

September 30, 1993

EXHIBIT B

Standard Terms and Conditions For FTN Contracts

1. Standard of Care The services provided by FTN shall be performed in accordance with generally accepted professional practice at the time when and the place where the services are rendered.
2. Independent Contractor FTN is an independent contractor and not an employee or agent of CLIENT. CLIENT is not responsible for any of its activities. Any taxes, licenses, permits, required filing of forms or any other conditions imposed upon or required to render FTN Services shall be satisfied by FTN at FTN's expense.
3. Insurance FTN shall procure and maintain insurance for protection from claims under workers' compensation acts. FTN shall procure and maintain liability insurance against claims based on FTN's negligence for damages because of bodily injury including personal injury, sickness or disease or death of any and all employees or of any person other than such employees, and from claims or damages based on FTN's negligence because of injury to or destruction of property including loss of use resulting therefrom.
4. Indemnification
 - a. FTN does hereby indemnify and save harmless CLIENT from and against any and all liability and claims of liability of any and every kind and nature, including without limitation bodily injury, death and property damage, arising out of any negligent act by FTN, and FTN, at FTN's sole expense, shall handle all such claims, defend all lawsuits filed against CLIENT therein, and reimburse CLIENT in cash for all reasonable expense incurred by CLIENT on account thereof, provided, that if CLIENT elects to retain independent counsel, FTN shall reimburse CLIENT for all costs reasonably incurred by CLIENT to defend itself through attorneys of CLIENT's choice. There is hereby excepted from the foregoing any and all liability and claims of liability solely attributable to acts of CLIENT's direct payroll employees, and there is hereby further excepted from the foregoing any and all liability and claims of liability for environmental pollution which are not the result of negligence on the part of FTN in FTN's performance of this contract.
 - b. CLIENT does hereby indemnify and save harmless FTN from and against any and all liability and claims of liability of any and every kind and nature including without limitation bodily injury, death, property damage and claims for environmental pollution which are not the result of negligence on the part of FTN in FTN's performance of this contract, and CLIENT, at CLIENT's sole expense, shall handle all such claims, defend all lawsuits filed against FTN on account thereof, pay all judgments rendered against FTN therein, and reimburse FTN in cash for all

reasonable expense incurred by FTN on account thereof, provided, that if FTN elects to retain independent counsel, CLIENT shall reimburse FTN for all costs reasonably incurred by FTN to defend itself through attorneys of FTN's choice.

5. Electronic Deliverables Any use or reuse of original or altered computer files by CLIENT or others without written verification by FTN for purposes other than for the specific purpose intended will be at CLIENT's risk and full legal responsibility. Furthermore, CLIENT will, to the fullest extent permitted by law, indemnify and hold FTN harmless from any and all claims, suits, liability, demands, or costs arising out of or resulting therefrom. Any verification of such adaptation by CLIENT will entitle FTN to additional compensation at the then current rate.

The submitted data files are intended to work only as described. The files are compatible only with the software and operating platform described. FTN makes no warranty as to the compatibility of these files for versions of the software other than for those stated. FTN is not responsible for uses of the data outside of or beyond the scope of the Agreement.

Because data stored on electronic media can deteriorate undetected or can be modified without FTN's knowledge, CLIENT agrees that FTN will not be held liable for the completeness or correctness of the electronic media, with respect to its originally intended use as defined in the agreement, after an acceptance period of 30 days after delivery of the electronic files. FTN stands by the accuracy of sealed drawings that accompany submittals.

The electronic files are submitted to CLIENT for a 30-day Acceptance Period. During this period, CLIENT may review and examine these files; any errors, relative to the intended use of the files, detected during this time will be corrected by FTN as part of the basic agreement. Any changes requested after the Acceptance Period will be considered additional services to be performed on a time and materials basis, at the then current rates plus terms and conditions.

6. Termination This agreement may be terminated at any time, for any cause by either party upon thirty days written notice to the other party. In such event, CLIENT shall forthwith pay FTN in full for all work previously authorized and performed prior to effective date of termination. If no notice of termination is given, relationships and obligations created by this Agreement shall be terminated upon completion of all applicable requirements of this Agreement.
7. Assignment This Agreement shall not be assigned by FTN to any other party unless prior written approval is obtained from CLIENT. This Agreement shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors, and assigns.
8. Limit of Liability It is understood that any and all professional liabilities incurred by FTN throughout the course of rendering professional services on this Project shall be limited to a

maximum of the net fee received by FTN, not including reimbursable expenses and subconsultants, for all services rendered on the Project.

9. Confidentiality of Information No information concerning this Project shall be released by FTN unless directed by the City of Jonesboro.
10. Precedence These Standard Terms and Conditions shall take precedence over any inconsistent or contradictory provisions contained in any proposal, contract, purchase order, requisition notice to proceed, or like document regarding FTN's services.
11. Severability If any of these Standard Terms and Conditions shall be finally determined to be invalid or unenforceable in whole or part, the remaining provisions hereof shall remain in full force and effect, and be binding upon the parties hereto. The parties agree to reform this Agreement to replace any such invalid or unenforceable provision with a valid and enforceable provision that comes as close as possible to the intention of the stricken provision.
12. Survival These Standard Terms and Conditions shall survive the completion of the services under this Agreement and the termination of this Agreement for any cause.
13. Controlling Law This Agreement is to be governed by and construed in accordance with the laws of the State of Arkansas.

EXHIBIT C

2005 Fee Schedule¹ FTN Associates, Ltd.

<u>Labor Category</u>	<u>Hourly Rate</u>
Professional 7	\$ 140.00
Professional 6	125.00
Professional 5	112.00
Professional 4	102.00
Professional 3	92.00
Professional 2	82.00
Professional 1	72.00
Technician 4	74.00
Technician 3	61.00
Technician 2	54.00
Technician 1	40.00
Word Processing	48.00

Direct Expenses

All direct project expenses will be invoiced at cost plus 10 percent. Direct project expenses include such items as travel, meals, lodging, shipping, supplies, consultants, subcontractors, etc. Vehicle mileage will be charged at standard IRS rates.

A charge of 2 percent is applied to the total labor amount to cover communication charges and computer expenses associated with computer applications, data storage and backup.

Should back-up data be requested for reimbursable expenses, it will be provided for an administrative fee.

Payment Terms

Unless other arrangements are made in writing invoicing will be monthly for services completed. Payment is due in full within 30 days of invoice. A service charge of 1½ percent per month will be charged on all balances over 30 days.

¹Effective January 1, 2005 - December 31, 2005