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July 22, 2019

Rev. 1

Mike Mordi, PE
Routt County Road and Bridge
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Subject: Proposal (Rev. 1) for Rockfall Mitigation – Scaling, Boulder Blasting and Rock Bolting, County Road 29, Routt County, CO

Dear Mike:

GeoStabilization International® (GSI®) is pleased to offer Revision 1 of this Proposal for rockfall mitigation along County Road 29 in Routt County, CO. This proposal is exclusively for Routt County Road and Bridge (Owner) to consider. The site is at GSP point N40.302625, W107.290098. We appreciate the opportunity to provide pricing for this work.

GSI's opinions and statements regarding this project shall remain confidential and shall not be shared with other parties without the express written consent of GSI. All concepts and procedures outlined in this proposal shall be considered the intellectual property of GSI.

Notwithstanding anything contained herein or in any document to the contrary the below terms, conditions and exclusions of this Proposal shall apply, control and govern. The Parties agree that GSI's July 22, 2019 Proposal is a "Contract Document" and is specifically incorporated into the Contract Documents for the Project. In the event of a conflict or ambiguity between this Proposal and any other Contract Document, the terms of this Proposal shall control and govern.

WORK DESCRIPTION

GSI understands that a significant rockfall event occurred at the project site last winter, with the largest blocks that made it to the roadway on the order of 10-ft maximum dimension. The existing rockfall hazard is not acceptable to Owner, so mitigation measures are required to reduce the risk associated with this slope. The slope area of focus is approximately 250 lineal feet (LF) and an average height of 45 ft. A large block, approximately 11-ft-wide by 22-ft-tall by 8-ft-deep (65 CY), needs particular attention as it poses a high hazard to future roadway use and is too large to safely remove by mechanical scaling methods (e.g., use of a loader or excavator). Other large blocks with visible tension cracking are visible along the southern/western extent of the slope area in question and represent a high rockfall hazard.

This proposal is based on the following:

1. Discussions with Owner.
2. Site visit by Nathan Thompson with GSI on May 21, 2018.
3. Site visit by Dan Koehmstedt with GSI on May 25, 2018.



GSI received updated verbal approval for this scope of work from the Owner on July 1, 2019. We plan to complete the work this fall. Due to the age of the proposal originally provided (dated June 3, 2018), GSI re-visited the pricing of this work and has updated the pricing table below.

GSI's SCOPE OF WORK

GSI proposes to perform rock scaling along the full slope area, and to drill and blast the large block identified during the site visit, per the following:

- Based on the site visit and discussions with Owner, we estimate that the rock scaling will require six (6) days with our crew of certified rockfall technicians. The scaling work will be performed on slope via rope access and using hand tools (scaling bars, airbags, etc.).
- Owner is responsible for any movement or removal of scaled material. Based on the conditions observed during our site visit, and our understanding that this slope has not previously been scaled, GSI anticipates that a large amount of material will be brought down to the roadway via scaling. We recommend that the Owner plan to have a loader and haul equipment on site full-time for use to clear the road and allow for passage of local traffic as needed.

We understand that the Owner is considering excavation of the toe beneath the rock slope with the objective of increasing site distance around this curve. Removal of toe material may decrease the stability of larger blocks in the rock slope and increase the associated risk of future rockfall onto the roadway. In the event that Owner does elect to excavate toe material, GSI recommends installation of rock bolts on block features which currently show active tension cracking, indicative of higher risk of future rockfall. We have identified potential rock bolting in Attachment 1 and can provide pricing for this additional scope if requested by Owner.

PROJECT CONDITIONS

GSI's scope of work includes labor, tools, equipment, and materials to perform the rockfall scaling pursuant to the following conditions:

- a. The initial mobilization includes labor, equipment and material capable of performing the scaling work. If GSI is required to leave the site and return outside of what was previously stated and planned for, the cost is \$12,500 for each demobilization/remobilization. Work shall be available to GSI prior to GSI mobilizing to the site.
- b. Standby time of up to \$950/hour will be charged for delays beyond GSI's control. This includes delays/interruptions/interference/disruption to GSI's operation due to the excavation of the soil nail wall and bench, requesting GSI mobilize to the site before the site is ready, requiring GSI to attend site specific training and/or meetings that were not previously communicated and delay the project sequence, and other contingencies that may arise. Day rate is 10-hours and GSI crews will be allowed access to maintain GSI equipment during standby events.

PRICING

GSI proposes to perform the work described herein based on the prices listed below. The prices included herein are based and expressly conditioned on continuous unobstructed work beginning the day GSI mobilizes to the site. Should the work not proceed as continuous unobstructed work, the price to perform the work may likely increase.

Item	Description	Qty	UM	Unit Price	Total Price
1	Mobilization	1	EA	\$ 12,500.00	\$ 12,500.00
2	Scaling	11,250	SF	\$ 5.10	\$ 57,375.00
3	Boulder Blasting / Downsizing (approximately 65 CY block identified onsite)	1	LS	\$ 40,000.00	\$ 40,000.00
Estimated Total:					\$ 109,875.00

WORK HOURS/SCHEDULE

The project's duration is estimated to be 10 working days. All work is based on a work schedule of Monday through Saturday, 10 hours per day as weather and daylight permits. We can mobilize to the site within 3 to 5 weeks from GSI receiving an executed contract, approved submittals, and a written notice to proceed. Additional charges will be assessed if GSI is scheduled and required to work additional hours or shifts. GSI's standard crew rotation is 10-days on and 4-days off. This is managed by GSI's Operations Manager and may vary for safety purposes based on hours and consecutive days worked.

Owner is under a continuing duty to notify GSI in writing of any changes, delays or impacts to the schedule so the parties can mutually agree on all scheduling for the Project notwithstanding anything contained in any document to the contrary.

EXCLUSIONS

The following terms, conditions and exclusions shall apply and are specifically excluded from GSI's scope of work and shall be provided to GSI at no cost to GSI, notwithstanding anything in any document to the contrary:

- a. Moving and/or removal of scaled material.
- b. Permits – All permitting requirements to perform the work including, but not limited to, construction permits; hazardous material handling and disposal permits; storm water management permits and dewatering permits; and fugitive dust or other similar permitting requirements
- c. Surveying – Any and all surveying including but not limited to layout survey, as-built survey, and wall tolerances as required.
- d. Traffic Control – All required pedestrian and vehicle traffic control. GSI will require at least one lane of traffic to be closed during GSI's work.
- e. Rock bolting – GSI identified potential rock bolting in Attachment 1 of our previous proposal. We can provide pricing for this additional scope if requested by Owner, but any rock bolting or other mitigation other than the proposed scaling is excluded from this Proposal.
- f. The cost of a bond premium is not included in the GSI's price. If desired by and paid by the Owner, GSI will furnish a Payment and Performance Bond at a rate of 2% of the total price.
- g. Prevailing wages are not included in GSI's price.
- h. Buy American/American Material Requirements are not included in GSI's price.
- i. Owner shall ensure that all utilities are properly located before GSI mobilizes to the site. Specific location (potholing), removal, and/or relocation of all underground and overhead utilities are not included in GSI's scope of work.
- j. Hazardous Materials – GSI will immediately stop work per state and federal work and safety requirements if hazardous materials are encountered. GSI's downtime or additional

- mobilization fees due to hazardous materials will be negotiated separately.
- k. Access – All weather working access shall be provided to GSI at all times with at least a 12-ft wide, level, and unobstructed bench at the face of the slope, and access shall be provided to GSI at all times for material/equipment deliveries, and on-site area for material/equipment storage. Owner shall obtain any and all right of way, licenses, or easements for GSI to perform its work.
 - l. Any and all work, including but not limited to design work, is excluded unless specifically included herein.

ADDITIONAL TERMS AND CONDITIONS

Notwithstanding anything contained in any document to the contrary, the following additional terms and conditions shall apply, control and govern:

- a. Retainage, if any, is to be released to GSI within 30 days after the completion of GSI's work.
- b. GSI will employ open shop labor. In the event that union labor must be used Owner shall pay for any additional cost differential.
- c. Owner agrees that GSI shall not be responsible for liquidated damages, delay damages, or other time related damages for any work that is outside GSI's control.
- d. Notwithstanding anything contained in any document to the contrary, in the event the project is delayed, disrupted, terminated and/or the project schedule is extended for any reason not caused by the acts or omissions of GSI (or as the proper designation may be for GSI), GSI subcontractor(s), or those for whom GSI, etc. is legally liable, GSI reserves and waives no rights to receive compensation to recover all costs including, but not limited to, price escalations and other damages.
- e. All invoices are due, in their entirety, upon receipt from GSI. All payments received for GSI's work shall be held in trust for the benefit of GSI. Amounts due and unpaid over thirty days shall accrue interest at the rate of 1.5% per month. Should GSI engage an attorney to enforce any of GSI's rights, Owner shall be liable to GSI and pay over to GSI upon demand all costs, attorney fees, and expert witness fees related to enforcing GSI's rights including, but not limited to, enforcing GSI's rights to payment.
- f. This agreement/Proposal is subject to and governed by Colorado law under all circumstances and venue for any dispute shall be Mesa County, Colorado notwithstanding any conflict of law or choice of law statutes or regulations of any kind to the contrary. Owner further voluntarily agrees to this choice of venue and choice of law provision and will under no circumstances challenge the enforcement of this choice of venue and choice of law provision notwithstanding any law or document to the contrary.
- g. The partial or complete invalidity of any provision of this Proposal shall not affect the validity or continuing force and effect of any other provision. The failure of either party hereto to insist, in any one or more instances, upon the performance of any of the terms, covenants and conditions of this contract/Proposal, or to exercise any right herein, shall not be construed as a waiver or relinquishment of such term, covenant, condition or right as respects further performance.
- h. Each party has had the opportunity to review and negotiate this Proposal and no party shall be construed to be the drafter of this Proposal for any purpose including, but not limited to, interpretation of this document.
- i. Any work done pursuant to change order or otherwise is subject to the terms and conditions contained herein.
- j. The proposal pricing and scope is offered pursuant to the full and unmodified terms of this proposal. Should the Owner not fully accept or modify this proposal, the pricing and/or the



- scope of work will likely be subject to modification by GSI.
- k. Should Owner provide GSI with verbal direction to begin to mobilize, the terms and conditions of this Proposal shall be deemed accepted and apply in full and without limitation.
 - l. GSI's defense and indemnity obligations, if any, are limited to claims for damages to property or personal injury caused by the negligent acts or omissions of GSI or for those whom GSI is legally responsible. Owner agrees to defend and indemnify GSI for claims or damages alleged to have been caused by Owner's acts or omissions.
 - m. GSI retains all ownership rights in its proprietary and/or patented information and no such rights are transferred in any way.
 - n. Increased Costs. If, due to either (a) the introduction of or any change in or in the interpretation of any (i) law or regulation, or (ii) any tariff, tax, duty, toll, excise, levy or charge to be paid on a particular class of imports and/or exports, and/or (b) the compliance with any guideline or requirement from any governmental authority that is introduced or the interpretation of which is changed, in each such case after the date hereof, there is any increase in the cost to GSI of providing the materials, goods and/or services under this Agreement, then Owner shall from time to time, upon demand by GSI, immediately pay to GSI additional amounts sufficient to compensate GSI for such increased cost. GSI shall submit to Owner a certificate as to the amount of such increased cost and detailing the calculation of such cost, which shall be conclusive and binding for all purposes, absent manifest error.
 - o. This offer expires 30 days from the date transmitted.

THIS COMMUNICATION CONTAINS GEOSTABILIZATION CONFIDENTIAL/PROPRIETARY BUSINESS INFORMATION NOT SUBJECT TO FREEDOM OF INFORMATION ACT (FOIA)

Sincerely,

GEOSTABILIZATION INTERNATIONAL

Nathan Thompson, M.S., P.E.
nathan@gsi.us | 303.895.1586

Accepted by: _____
(Signature)

Accepted by: _____
(Printed name/title)

Date: _____

