

May 14, 2010

Dammon Engineering, LLC.
1095 Florida Ave.
Slidell, LA
Phone: (985) 649-5832

Att: Mr. Chuck Dammon

Re: Proposal for Construction Materials
Testing and Inspection Services
Park Drive Improvements
Slidell, Louisiana
Proposal No.: C11-029

Dear Chuck:

Stratum Engineering, LLC (SE) is pleased to submit the following proposal for providing construction materials testing and inspection services for the referenced project.

We propose to provide experienced technical personnel to perform the requested testing and inspection in general accordance with the project specifications. The work will be accomplished on a unit price basis in accordance with the attached Schedule of Services and Fees pursuant to the SE General Conditions. Copies of the Schedule of Services and Fees and General Conditions are enclosed herewith and are incorporated into this proposal. SE's fees would be determined by the actual amount of technical time expended for this project and the amount of laboratory testing performed.

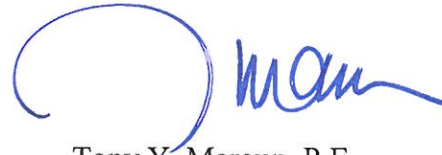
We will proceed with the work with your verbal authorization, however, please sign and return one (1) copy of the proposal intact. When returning this proposal, please fill out the attached project data sheet so that your file may be properly established.

We appreciate the opportunity to offer our testing and inspection services to your project and look forward to working with you during the construction phase. If you should have any questions, please do not hesitate to call.

Respectfully submitted,
STRATUM ENGINEERING, LLC



Ryan Kaufmann
Project Manager



Tony Y. Maroun, P.E.
Principal

SND/TYM: eas

Attachments: Budget for Testing and Inspection Services
Project Date Sheet
General Conditions

AGREED TO THIS _____ DAY OF _____,

BY: _____

TITLE: _____

FIRM: _____

**Budget for
Testing and Inspection Services**

The following is a summary of the anticipated testing and inspection services for the proposed Park Drive intersection improvements. The estimate was based on limited information available. Although efforts will be made to maintain charges within the estimated budget, the actual cost will be based on the services rendered for the project.

A summary of the estimated budget is as follows:

EARTHWORK INSPECTION	SUBTOTAL.....	\$915.00
CONCRETE INSPECTION	SUBTOTAL.....	\$732.00
TOTAL COST ESTIMATE		\$1,647.00

EARTHWORK INSPECTION

Based on information available and our experience with similar projects, we understand and/or assume the following:

1. Three (3) visits will be required for roadway subgrade inspection, fill sample pick up and field density testing.
2. One (1) moisture/density relationship will be required for each fill type.

A. Senior Engineering Technician for the proofing of subgrade Estimated 4 hours @ 45.00/hour.....	\$180.00
B. Engineering technician for field density testing and sample pick up Estimated 8 hours @ \$40.00/hour.....	\$320.00
C. Nuclear density gauge, per day Estimated 1 day @ \$35.00/day.....	\$35.00
D. Moisture density relationship (standard Proctor) Estimated 1 test @ \$135.00/test.....	\$135.00
E. Atterberg Limits and Percent passing #200 sieve test Estimated 1 test @ \$80.00/test.....	\$80.00
F. Transportation charge Estimated 3 trips @ \$25.00/ trip.....	\$75.00
F. Report preparation and review Estimated 1 hour @ \$90.00/hour.....	\$90.00
SUBTOTAL.....	\$915.00

CONCRETE INSPECTION

Based on the information available, we understand and/or assume the following:

1. Concrete placements will be continuously monitored by a Stratum Engineering representative.
2. One set of 4 cylinders will be molded and field tests performed for each 50 cubic yards of concrete or fraction thereof placed in any one day per project specifications.

A. Engineering technician for concrete inspection and cylinder pick up Estimated 12 hours @ \$40.00/hour.....	\$480.00
B. Concrete compression test (including hold cylinders) Estimated 8 cylinders @ \$14.00/cylinder.....	\$112.00
C. Transportation charge Estimated 2 trips @ \$25.00/trip.....	\$50.00
D. Report preparation and review Estimated 1 hour @ \$90.00/hour.....	\$90.00
SUBTOTAL.....	\$732.00

Notes:

- Hourly rates will be billed portal to portal from our office with a minimum 4 hour call out.
- Overtime rates are applicable for all time over eight (8) hours per day and any work done on Saturdays, Sundays, and Holidays. Overtime rates are 1.5 times the rates listed above.
- Items not listed above may be quoted upon request.

STRATUM ENGINEERING, LLC
PROJECT DATA SHEET
TESTING AND INSPECTION SERVICES

1. Project Name: _____
2. Project Location: _____
3. Your Job No.: _____ Purchase Order No.: _____
4. Project Manager: _____ Telephone No.: _____
5. Number and Distribution of Reports:

<input type="checkbox"/> Copies To: _____ _____ _____	<input type="checkbox"/> Copies To: _____ _____ _____
Attn: _____	Attn: _____
<input type="checkbox"/> Copies To: _____ _____ _____	<input type="checkbox"/> Copies To: _____ _____ _____
Attn: _____	Attn: _____
6. Invoicing Address:

Attn: _____
7. Site Contact: _____ Telephone No.: _____
8. Other Pertinent Information: _____

GENERAL CONDITIONS

1. **Parties and Scope of Work:** Stratum Engineering, LLC (hereinafter referred to as SE) shall include said company, or its particular division, subsidiary or affiliate performing the work. "Work" means the specific geotechnical, analytical, testing or other service to be performed by SE as set forth in SE's proposal, the clients' acceptance thereof and this General Conditions. "Client" refers to the person or business entity ordering the work to be done by SE. If the client is ordering the work on behalf of another, the client represents and warrants that the client is the duly authorized agent of said party for the purpose of ordering and directing said work. Unless otherwise stated in writing, the client assumes sole responsibility for determining whether the quantity and the nature of the work ordered by the client is adequate and sufficient for the clients' intended purpose. Client shall communicate these General Conditions to each and every third party to whom the client transmits any part of SE's work. SE shall have no duty or obligation to any third party greater than that set forth in SE's proposal, client's acceptance thereof and these General Conditions. The ordering of work from SE shall constitute acceptance of the terms of SE's proposal and these General Conditions.
2. **Tests and Inspections:** Client shall cause all tests and inspections of the site, materials and work performed by SE or others to be timely and properly performed in accordance with the plans, specifications and contract documents, and SE's recommendations. Client or any third party shall bring no claims for loss, damage or injury against SE unless all tests and inspections have been so performed and unless SE's recommendations have been followed. Client agrees to indemnify, defend and hold SE, its officers, employees and agents harmless from any and all claims, suits, losses, costs and expenses, including, but not limited to, court costs and reasonable attorney's fees in the event that all such tests and inspections are not so performed or SE's recommendations are not so followed except to the extent that such failure is the result of the negligence, willful or wanton act or omission of SE, its officers, agents or employees.
3. **Scheduling of Work:** The services set forth in SE's proposal and client's acceptance will be accomplished in a timely, workmanlike and professional manner by SE personnel at the prices quoted. If SE is required to delay commencement of the work or if, upon embarking upon its work, SE is required to stop or interrupt the progress of its work as a result of changes in the scope of the work requested by the client, to fulfill the requirements of third parties, interruptions in the progress of construction, or other causes beyond the direct reasonable control of SE, additional charges will be applicable and payable by client. Client will provide written notice to third party entities (if any) which are responsible for requesting services to be performed that they (third party) are required to arrange for those testing services to be performed. All field services will require a minimum 24 hour notice.
4. **Access to Site:** Client will arrange and provide such access to the site as is necessary for SE to perform the work. SE shall take reasonable measures and precautions to minimize damage to the site and any improvements located thereon as the result of its work or the use of its equipment; however, SE has not included in its fee the cost of restoration of damage which may occur. If client desires or requires SE to restore the site to its former condition, upon written request, SE will perform such additional work as is necessary to do so and client agrees to pay SE the cost thereof.
5. **Damage to Existing Man-Made Objects:** Unless SE has assumed in writing the responsibility of locating subsurface or latent conditions, client agrees to indemnify and save SE harmless from all claims, suits, losses, costs and expenses, including reasonable attorney's fees as a result of personal injury, death or property damage occurring with respect to SE's performance of its work and arising from subsurface or latent conditions or damage to subsurface or latent objects, structures, lines or conduits where the actual or potential presence and location thereof was not revealed to SE by client.
6. **Responsibility:** SE's work shall not include determining, supervising or implementing the means, methods, techniques, sequences or procedures of construction. SE shall not be responsible for evaluating, reporting or affecting job conditions concerning health, safety or welfare. SE's work or failure to perform it shall not in any way excuse any contractor, subcontractor or supplier from performance of its work in accordance with the contract documents.
7. **Sample Disposal:** Unless otherwise agreed, test specimens or samples will be disposed immediately upon completion of the test. All drilling samples or specimens will be disposed 60 days after submission of SE's report, unless written notice is given before commencement of services.
8. **Payment:** Client shall be invoiced once each month for work performed during the preceding period. Client agrees to pay each invoice within thirty (30) days of invoice date. The client further agrees to pay interest on all amounts invoiced and not paid or objected to for valid cause within said thirty (30) day period at the rate of eighteen (18) percent per annum (or the maximum interest rate permitted under applicable law, whichever is the lesser) until paid. Client agrees to pay SE's cost of collection of all amounts due and unpaid after sixty (60) days, including court costs and reasonable attorney's fees. Failure to make payment within 30 days of invoice shall constitute a release of SE from any and all claims which client may have, either in tort or contract, and whether known or unknown at the time.
9. **Termination:** Either party upon seven days prior written notice may terminate this Agreement. In the event of termination, SE shall be compensated by client for all services performed up to and including the termination date, including reimbursable expenses, and for the completion of such services and records as are necessary to place files in order and/or protect its professional reputation.
10. **Warranty:** SE's services will be performed, its findings obtained and its reports prepared in accordance with its proposal, client's acceptance thereof, this General Conditions, and with generally accepted principals and practices. In performing its professional services, SE will use that degree of care and skill ordinarily exercised under similar circumstances by members of its profession. This warranty is in lieu of all other warranties or representations either express or implied. Statements made in SE's reports are opinions based upon engineering judgment. Should SE or any of its professional employees be found to have been negligent in the performance of its work, or to have made and breached any expressed or implied warranty, representation or contract, client, all parties claiming through client and all parties claiming to have in any way relied upon SE's work agree that the maximum aggregate amount of the liability of SE, its officers, employees and agents shall be limited to \$25,000 or the total amount of the fee paid to SE for its work performed with respect to the project, whichever amount is greater.
11. **Indemnity:** Subject to the forgoing limitations, SE agrees to indemnify and hold client harmless from and against any and all claims suits costs and expenses including reasonable attorney's fees and court costs arising out of SE's negligence to the extent of SE's negligence. Client shall provide the same protection to the extent of its negligence. In the event that client or client's principal shall bring any suit, cause of action, claim or counterclaim against SE, the party initiating such action shall pay to SE the costs and expenses incurred by SE to investigate, answer and defend it, including reasonable attorney's and witness fees and court costs to the extent that SE shall prevail in such suit.
12. **Arbitration:** Anything contained in any other contract document notwithstanding, SE shall not be bound by any provision or agreement (a) requiring or providing for arbitration of disputes or controversies arising out of SE's work or this General Conditions, (b) wherein SE waives its rights to a mechanic's lien, or (c) conditioning SE's right to payment by a third party.
13. **Provisions Severable:** In the event any of the provisions of these General Conditions should be found to be unenforceable, it shall be stricken and the remaining provisions shall be enforceable.
14. **Entire Agreement:** This agreement constitutes the entire understanding of the parties, and there are not representations, warranties or undertakings made other than as set forth herein. This agreement may be modified only in writing, signed by each of the parties hereto.