

EXHIBIT AJuly 7, 2010
Proposal No. P-93579

Mr. Vijay Gokhale
City of Tempe - Engineering Department
31 East Fifth Street
Tempe, Arizona 85280

Subject: Construction Materials Testing and Inspection Services
South Tempe Water Treatment Plant Improvements
Project Number: 3203211
Tempe, Arizona

Dear Mr. Gokhale:

Ninyo & Moore is pleased to submit this proposal to perform construction materials testing and services for the above-referenced project. Ninyo & Moore is capable of performing a wide variety of geotechnical and materials inspection and testing services including soils and aggregates, asphalt concrete, reinforced concrete, masonry, pre-stressed concrete, structural steel, welding, roofing, and fireproofing. Since establishment in 1986, Ninyo & Moore has grown to ten offices in Arizona, California, Nevada, Texas, and Colorado.

Ninyo & Moore laboratories are supervised by registered civil engineers and meet the requirements of ASTM E329, ASTM C1077, ASTM D3740, ASTM D3666 and is an approved Arizona Department of Transportation (ADOT) Materials Testing Laboratory. Ninyo & Moore's testing equipment is calibrated annually by representatives utilizing equipment traceable to the National Institute of Standards and Technology, and is regularly inspected by the Cement and Concrete Reference Laboratory (CCRL) and AASHTO's Material Reference Laboratory (AMRL).

PROPOSED SCOPE OF SERVICES

Our understanding of the construction materials testing services for this project is based upon our review of the project plans and specifications dated May 11, 2010, Addendum No. 1 dated May 27, 2010 and the schedule for project completion.

Ninyo & Moore anticipates that the following services may be needed during the construction phase of this project:

- Field density testing of subgrade, and aggregate base course materials;
- Inspection, sampling, and testing during placement of concrete;
- Special Inspection of reinforcing steel, anchor bolts, structural bolts, and welds;
- Laboratory testing of soils, aggregate base course materials, and concrete; and
- Project management, data processing, and report review services of laboratory and field test reports.

FEE ESTIMATE

The fees for the services described herein will be accrued in accordance with the attached cost estimate. The cost for construction materials testing and inspection services is estimated not to exceed \$122,000.00 (One Hundred Twenty-two Thousand Dollars). The fee schedule utilized is in accordance with our City of Tempe On-Call Contract dated May, 2010. Billing will be for the actual costs incurred and will be determined by the needs of our client and the frequency with which Ninyo & Moore is requested to the project site. Please note that our estimated fee does not include stand-by time or costs associated with retesting or re-inspecting materials that were found not to be in compliance with the project plans or specifications.

Respectfully Submitted,
NINYO & MOORE



Eric C. Zite
Principal, Director of Construction Services



Sandra A. Lohkamp, P.E.
Senior Engineer

Distribution: (1) Addressee



Project: South Tempe Water Treatment Plant
Expansion
Location: Tempe, Arizona

Proposal No. P-93579

Field Services

Engineering Technician, Earthwork and Aggregate Base Course

305 hours @ \$50.00 \hour \$15,250.00

Engineering Technician, Concrete Testing

310 hours @ \$50.00 \hour \$15,500.00

Engineering Technician, Masonry Testing

220 hours @ \$50.00 \hour \$11,000.00

Special Inspector, Reinforcing Steel for Concrete and Masonry and Epoxy Anchors

360 hours @ \$54.00 \hour \$19,440.00

Special Inspector, Welding & Bolting

420 hours @ \$65.00 \hour \$27,300.00

Laboratory Testing

Proctor 12 samples @ \$95.00 \sample \$1,140.00

Atterberg Limit 12 samples @ \$65.00 \sample \$780.00

Sieve Analysis 12 samples @ \$85.00 \sample \$1,020.00

Masonry Prisms 21 sets @ 4 smp\set @ \$65.00 \sample \$5,460.00

Grout samples 45 sets @ 4 smp\set @ \$15.00 \sample \$2,700.00

Mortar samples 25 sets @ 4 cyl\set @ \$15.00 \sample \$1,500.00

Concrete Cylinders 133 sets @ 4 cyl\set @ \$15.00 \sample \$7,980.00

Subtotal \$109,070.00

Engineering Review, Consultation, and Data Processing includes typing of test results, project coordination, review of test data by a professional engineer and periodic site visits.

Project Engineer / Project Management

115 hours @ \$105.00 \hour \$12,075.00

Subtotal \$12,075.00

Total Materials Testing Cost Estimate: \$121,145.00

Handwritten initials/signature