



SOCOTEC

June 5, 2023

Brian Schadt
City Engineer
CITY OF DAVENPORT
1200 E 46th Street
Davenport, Iowa 52807

Direct: 563.326.7786
Email: brian.schadt@davenportiowa.com

RE: Work Authorization Agreement
Partial Building Collapse at 324 N. Main Street, Davenport, Iowa (the "Project")

Dear Mr. Schadt:

This shall serve as written authorization from you (the "Client") to SOCOTEC Engineering, Inc. (SEI) for SEI to commence services on the Project. Client has engaged SEI to perform a forensic investigation to attempt to determine the cause and origin of the partial building collapse that occurred at the Project on May 28, 2023.

Client understands and agrees that it is reasonable for payment for services performed by SEI in connection with the Project at SEI's current hourly rates. A copy of SEI's hourly rates is included in this work authorization agreement. Client is aware that SEI has not yet provided it with a proposal for this engagement but will do so in the coming days (unless otherwise requested by the Client). Client agrees to be bound to the terms of this work authorization agreement.

Client may indicate its approval and acceptance of this work authorization agreement by executing it and returning a signed copy to SEI, or in the alternative provide SEI with written confirmation via email of Client's acceptance of this work authorization agreement.

Thank you,

Robert Vecchio
Chief Executive Officer
SOCOTEC Engineering, Inc.

CONSULTANT: SOCOTEC Engineering, Inc.

CLIENT: City of Davenport, Iowa

By:
Name: William D. Bast
Title: Principal, Regional Director - Midwest
Date: June 14, 2023

By:
Name: CORRIN SPIEGEL
Title: CITY ADMINISTRATOR
Date: 5 JUNE 2023

2023 HOURLY RATES:

Services billed hourly (including hourly, budget estimate and not-to-exceed services) will be performed per the negotiated rates shown below. Hourly rates shall increase 5% annually beginning on January 1, 2024:

HOURLY RATES (Portal-to-Portal):

Administrator	\$ 120
Senior Administrator	\$ 130
Assistant Technician	\$ 140
Technician	\$ 175
Assistant Engineer	\$ 175
Senior Technician	\$ 210
Engineer	\$ 240
Lead Engineer	\$ 245
Senior Engineer	\$ 295
Principal Engineer	\$ 330
Senior Principal Engineer	\$ 360
Director	\$ 415
Consulting Engineer	\$ 420
Principal/Officer	\$ 490

To the extent the Project incurs delays SEI may require an adjustment to SEI's level of effort, hourly rate, and/or fee and will communicate any such adjustment in the form of a change order request and Client agrees that approval of such change order request shall not be unreasonably withheld.

TERMS, EXCLUSIONS & CONDITIONS:

- Hourly work will be charged according to actual hours spent as per the hourly rate schedule.
- SEI shall invoice, and Client shall pay, for reimbursement of reasonable and customary out-of-pocket expenses that are directly incurred by SEI in connection with the Engagement, including but not limited to messenger, travel, meals, accommodations, and other expenses specifically related to the Engagement.
- Payment terms: Invoices will be issued monthly and are due upon receipt. After 30 days, 1½ % per month late fee will be charged. SEI reserves the right to stop work on Projects where invoices remain unpaid for over 60 days. Collection fees, including attorney's fees, if required, will be charged to the Client.
- Reimbursable expenses: are all expenses incurred by SEI in connection with this Project on behalf of the Client and will be marked up by 10%. Reimbursable Expenses include, but are not limited to travel, long distance telephone charges, IT services, messenger service and reproduction costs.
- Hazardous and Toxic Materials: SEI shall have no responsibility for the discovery, removal, diagnosing and otherwise preventing the formation of, or protecting against hazardous and toxic materials, organisms and substances at the Project. The Client or Owner shall bring no claim against SEI relating to the presence of asbestos, hazardous wastes or any other hazardous or toxic materials at the Project. To the fullest extent permitted by law the Client or Owner shall indemnify, defend and hold harmless SEI from and against any and all claims, causes or action, damages, losses, liabilities and expenses, including but not limited to attorney's fees and insurance deductibles, arising out of the presence of asbestos, hazardous wastes or any other hazardous or toxic materials at the Project site.
- Arbitration: In the event of a claim, dispute or other matter in question between the parties arising out of or relating to this Agreement, it shall be resolved by through binding arbitration administered by the American Arbitration Association in accordance with the American Arbitration Association construction rules and procedures then in effect. Such arbitration proceeding shall be conducted in Chicago, Illinois unless the parties mutually agree to another location. Arbitration shall be conducted by a single arbitrator jointly selected by the parties, and in the event the parties cannot agree on the selection of the arbitrator within twenty business days from commencement of such action, the arbitrator shall be appointed pursuant to the American Arbitration Association rules. The arbitrator shall decide the dispute expeditiously, the parties' objective being to have a reasoned award and decisions within ninety (90) calendar days from joinder of issue. The arbitrator may extend this period as necessary or appropriate. The arbitrator shall allow limited discovery as is appropriate and fair to the parties. A demand for arbitration shall be made in writing, delivered to the other party to the Agreement, and filed with the person or entity administering the arbitration. The party filing a notice of demand for arbitration must assert in the demand all claims then known to that party on which arbitration is permitted or demanded. The unsuccessful party therein shall pay costs and reasonable attorneys' fees incurred by the prevailing party in such amount as shall be determined by the arbitrator.
- Limitation of Liability: The principals, employees, affiliates, parents and agents of SEI shall in no event be personally liable to the Client or any other third party. In no event shall SEI be liable to the Client, or any other entity, for an amount in excess of the actual fees collected by SEI for this engagement, nor for any consequential, incidental, economic, special, reliance, liquidated, performance, expectation or delay damages or for any design or construction defects. This provision shall survive termination or completion of this Agreement.
- Indemnification: Client agrees, to the fullest extent permitted by law, to defend, indemnify and hold SEI harmless from any damage, liability or cost (including reasonable attorneys' fees and costs of defense) to the extent caused by Client's negligence, acts, breach of this Agreement, errors or omissions and those of its contractors, subcontractors or consultants or anyone for whom Client is legally liable, and arising from the Project. This provision shall survive termination or completion of this Agreement.
- Notice of Claims: For purposes of notice hereunder and for any other notice required by this Agreement, notice shall be given by certified mail or by hand delivery as follows:

If to the Client: refer to cover page of this work authorization agreement.

If to SEI:
Chief Executive Officer
SOCOTEC Engineering, Inc.
360 Park Avenue South, 15th Floor
New York, New York 10010

10. Suspension of Services and Termination: The Agreement may be terminated by either party with seven calendar days advanced written notice to the other party. SEI shall be entitled to suspend performance of its services under this Agreement if the Client fails to make payments in accordance with the terms of this Agreement. Client shall not be entitled to recover from SEI any delay or other damages as a result of the invocation of SEI's right to suspend its services or terminate the Agreement. Upon termination, Client agrees to compensate SEI for all undisputed services provided up to the date of termination, and the foregoing provisions shall survive termination.
11. All issues regarding hazardous and toxic materials, sidewalk safety and bridges and all other issues regarding job site safety are the sole responsibility of the Client, and will not be addressed by SEI.
12. SEI does not provide or imply any warranty, guaranty, promise to perform or assurance of any kind whatsoever.
13. With regard to monitoring elements which can be observed only when the walls are open (e.g., fire safing), the Client will have the sole responsibility of coordination between parties and of providing adequate notification to SEI as to when the observations can be made before the wall is closed. If it becomes necessary for the wall to be reopened in order to allow for the appropriate observation (e.g., of the fire safing etc.), the Client will be responsible for all associated costs.

