

AGENDA
CITY OF DAYTON
CITY COUNCIL SPECIAL MEETING

DATE: Thursday, November 20, 2025
TIME: 6:00 PM
PLACE: DAYTON CITY HALL ANNEX - 408 FERRY STREET, DAYTON, OREGON
VIRTUAL: ZOOM MEETING - ORS 192.670/HB 2560

You may join the Council Meeting online via YouTube: <https://youtube.com/live/1p3psq3U4b0?feature=share>

Dayton - Rich in History . . . Envisioning Our Future

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>PAGE #</u>
A.	CALL TO ORDER & PLEDGE OF ALLEGIANCE	
B.	ROLL CALL	
C.	APPEARANCE OF INTERESTED CITIZENS	
D.	ACTION ITEMS	
	1. GSI personal services agreement approval in the amount of \$174,910 for the Fisher Farms Well Improvements Project and to authorize the City Manager to sign.	1-40
E.	CITY COUNCIL COMMENTS AND CONCERNS	
F.	ADJOURN	

Posted: November 18, 2025
By: Rocio Vargas, City Recorder

NEXT MEETING
December 1, 2025, Regular City Council Meeting

Virtually via Zoom and in Person, City Hall Annex, 408 Ferry Street, Dayton, Oregon
The public is encouraged to relay concerns and/or comments to the City Council in one of the following methods:

- a **Email - any time up to 5:00 p.m.** the day of the meeting to rvargas@daytonoregon.gov. The Mayor will read the comments emailed to the City Recorder.
- b **Appear in person** - if you would like to speak during public comment, please sign up on the sign-in sheet located on the table when you enter the Council Chambers.
- c **Appear by Telephone only** - please sign up prior to the meeting by emailing the City Recorder at rvargas@daytonoregon.gov. (The chat function is not available when calling by phone into Zoom.)

Meeting Accessibility Services and Americans with Disabilities Act (ADA) Notice: City Hall Annex is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to the City Recorder (503) 864-2221 or rvargas@daytonoregon.gov.

d **Appear virtually via Zoom** – send an email directly to the City Recorder, Rocio Vargas, prior to 5:00pm to request to speak during public comment. **The City Recorder will need your first and last name, address, and contact information** (email, phone number), **and topic name** you will receive the Zoom Meeting link or information. When it is your turn, the Mayor will announce your name, and your microphone will be unmuted.

To: Honorable Mayor and City Councilors

From: Jeremy Caudle, City Manager

Issue: GSI personal services agreement approval in the amount of \$174,910 for the Fisher Farms Well Improvements Project and to authorize the City Manager to sign.

Date: November 20, 2025

Background and Information:

At the 11/3/25 meeting, City Council selected GSI Water Solutions, Inc. to serve as the hydrogeology consultant for the Fisher Farms wells improvements project. The motion also directed staff to prepare a contract with GSI for City Council consideration. Approval of the contract is to be contingent on review by Business Oregon and the receipt of a fully executed Technical Assistance funding agreement from Business Oregon.

On 11/12/25, the City received a fully executed "financing contract," as authorized by Council at the 11/3/25 meeting, from Business Oregon for the project. On 11/17/25, Business Oregon reviewed the contract with GSI and stated that it meets all of Business Oregon's requirements.

The attached contract was drafted by our legal counsel. The attached contract is a final draft, reflecting the negotiated agreement with GSI. Our legal counsel has reviewed and approved this final, negotiated agreement.

Now that the City has received funding for the project, the final step is Council approval of the attached contract. Once this contract is approved and signed by both parties, the City will be ready to start this first phase of the Fisher Farms well improvements project.

City Manager Recommendation: Approve the "potential motion" listed below.

Potential Motion: "I move to approve the 'Personal Services Agreement' with GSI Water Solutions Inc., as presented, for the Fisher Farms Well Improvements Project in the amount not to exceed \$174,910, and to authorize the City Manager to sign."

Council Options:

1. Agree with the City Manager recommendation.
2. Approve the personal services agreement with changes. This will require further negotiations with the consultant and city legal counsel.
3. Some other option not listed.

Attachments: Personal Services Agreement with Attachment 1, Exhibit A, Exhibit B, and Exhibit C

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PERSONAL SERVICES AGREEMENT
Fisher Farms Well Improvements Project

This Agreement is entered into between the City of Dayton, a municipal corporation of the State of Oregon (“City”), and GSI Water Solutions, Inc., a corporation of the state of Oregon (“Contractor”). This Agreement is made effective as of November 21, 2025 (the “Effective Date”). This Agreement may refer to the City and Contractor individually as “Party” or jointly as “Parties.”

RECITALS

WHEREAS, the City has a need for personal services that require specialized technical, creative, professional or communication skills or talents, unique and specialized knowledge, or the exercise of discretionary judgment, and for which the quality of the service depends on attributes that are unique to the service provider. In particular, the City is seeking professional hydrogeological consulting to develop the City’s Fisher Farms wells as a municipal water source (the “Services”); and

WHEREAS, the City sought quotes for the Services under an intermediate procurement process, and Contractor responded by submitting a proposal for the Services dated October 2, 2025 (the “Proposal”); and

WHEREAS, the City duly selected Contractor based on Contractor’s capability, experience, approach, compensation requirements, references and other criteria to perform the Services, which the City Council authorized on November 3, 2025, based on the information provided in Contractor’s Proposal; and

WHEREAS, the City desires to contract with Contractor to provide the Services.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing Recitals incorporated by this reference and the mutual promises contained in this Agreement, City and Contractor agree as follows:

1. Term.

The initial term of this Agreement shall be from the Effective Date through December 31, 2026, unless amended or sooner terminated under the provisions of this Agreement. Passage of the Agreement’s term shall not extinguish, prejudice, or limit either party’s right to enforce this Agreement with respect to any default or defect in performance that has not been corrected.

2. Contractor’s Services.

Contractor shall perform the Services and provide the required deliverables in accordance with the terms and conditions of this Agreement. The Services, the deliverables required to be created thereunder, and the schedule for performance are set forth in Exhibit A, Scope of Services. Any conflict between this Agreement and Contractor's Proposal shall be resolved first in favor of this Agreement and pursuant to the order of precedence set forth herein. Contractor will use its best efforts and due diligence in its performance of the Services and will provide such personnel, materials, supplies, and equipment as are necessary to successfully provide the Services. Contractor will perform the Services consistent with the skill and knowledge possessed by well-informed members of its industry, trade or profession and will apply that skill and knowledge with care and diligence to perform the Services under this Agreement in accordance with standards prevalent in Contractor's industry, trade or profession under similar conditions and circumstances ("Standard of Care"). All Contractor personnel and those of their subconsultants and subcontractors (collectively, "subcontractors"), if any, shall be properly trained and fully licensed to undertake any activities pursuant to this Agreement, and Contractor shall have all requisite permits, licenses and other authorizations necessary to provide the Services.

3. Contractor's Identification.

Contractor shall provide the City Contractor's employer identification number, as designated by the Internal Revenue Service, or, if the Internal Revenue Service has designated no employer identification number, Contractor's Social Security number.

4. Compensation.

The City agrees to pay Contractor a sum not to exceed \$174,910 for completion of all Services. Upon completion by Contractor and City's acceptance of any tasks, milestones or other deliverables described in Exhibit A, City agrees to pay Contractor at the times and in the amount(s) set forth in this Agreement and in accordance with Exhibit B, Contractor's Fee Proposal and Hourly Rates.

Contractor shall submit monthly requests for payment to the City for Services performed under this Agreement, and the invoices shall describe the Services performed, by whom they were performed, the number of hours worked, and itemize and explain all expenses for which reimbursement is being claimed. All expenses must be preapproved in writing by the City. Contractor shall choose the most economical form of transportation, and surface transportation mileage will be reimbursed for only one vehicle per two Contractor personnel at the current in-effect IRS rate. Meals and incidental expenses will be paid consistent with the current in-effect U.S. General Services Administration (GSA) per diem rate, and hotels and parking will be paid at actual amounts, not to exceed the GSA daily rate. No reimbursement will be made for any alcohol purchases, personal entertainment, or parking or traffic citations.

The City shall make payments for undisputed Services in a timely manner, within sixty (60) days of receipt of a complete and acceptable request for payment. Requests for payment received from the Contractor pursuant to this Agreement will be reviewed and approved by the City prior to payment.

The City shall not pay compensation for any portion of the Services not performed. Payment shall not be considered acceptance or approval of any Services or waiver of any design defects therein. The compensation contemplated in this Section shall constitute full and complete payment for said Services.

Contractor must promptly pay all sums due to subcontractors for services and reimbursable expenses after receiving payment for those services from City.

5. Project Managers and Notice.

The Parties designate the following individuals as their Project Managers, who are designated to send and receive any notices required under this Agreement.

City's Project Manager

Jeremy Caudle, City Manager
PO Box 339
Dayton, OR 97114
e: jcaudle@daytonoregon.gov
p: 503-864-2221

Contractor's Project Manager

Matt Kohlbecker, President
650 NE Holladay Street, Suite 900
Portland, OR 97232
e: mkohlbecker@gsiws.com
p: 503-239-8799

Each Party shall give the other written notice of any intended change of their Project Manager. Any change to Contractor's Project Manager must be approved by the City, such approval not to be unreasonably withheld.

Unless otherwise stated in the Agreement, all notices shall be made in writing and may be given by personal delivery, first class mail, or email (read receipt requested). Mailed notices shall be deemed given upon deposit in the United States mail, postage prepaid. In all other instances, notices shall be deemed given at the time of actual delivery.

Key Persons. The Parties agree that the City relied on the special qualifications of Key Persons as a material inducement to enter into this Agreement. For purpose of this Agreement, "Key Person" means the persons identified in Exhibit A of this Agreement. The City is engaging Contractor due to the expertise, experience, judgment, and personal attention of Key Persons under this Agreement. Neither Contractor nor any Key Person shall delegate performance of the duties and obligations of such Key Person under this Agreement to any other employee, agent or subcontractor of Contractor unless the City provides prior written consent to such delegation. Contractor shall not reassign or transfer a Key Person to other duties or positions so that the Key Person is no longer available to

provide the City with that Key Person's services unless the City provides prior written consent to the reassignment or transfer, or the reassignment or transfer is required based on the termination of employment, illness, death, disability or other similar cause.

6. Project Information.

Contractor agrees to promptly share all information related to the Services with the City and to fully cooperate with all corporations, firms, contractors, governmental entities, and persons involved in or associated with the Services.

7. Duty to Inform.

Contractor shall give prompt written notice to the City's Project Manager if, at any time during the performance of this Agreement, Contractor becomes aware of actual or potential problems, faults or defects in the Services, any nonconformity with the Agreement, or with any federal, state, or local law, rule, regulation, decree, or other mandate, or if Contractor has any objection to any decision or order made by the City. Any delay or failure on the part of the City to provide a written response to Contractor shall constitute neither agreement with nor acquiescence to Contractor's statement or claim, and shall not constitute a waiver of any of the City's rights.

8. Time is of the Essence.

Time is of the essence as to the performance of the Services under this Agreement. Contractor's failure to adhere to the work schedule in Exhibit A is sufficient grounds for the City to terminate this Agreement for cause. If Contractor anticipates any delay that may prevent timely performance of Contractor's obligations under this Agreement, Contractor shall promptly notify the City, including the anticipated length of the delay, the cause of the delay, measures proposed or taken to prevent or minimize the delay, and the timetable for implementation of such measures. Contractor shall be liable for any loss, expense, or damage resulting from delay in the performance of the Services, which are due to any cause, except to the extent that those delays are caused by City fault or result from a Force Majeure. In the event of delay, the City may obtain substitute services from another source and bill all additional costs directly to Contractor.

9. Contractor is Independent Contractor.

Contractor is an independent contractor of the City for all purposes and shall be entitled to no compensation other than the compensation expressly provided by this Agreement. No employment or agency relationship is or is intended to be created between the City and any individual representing Contractor. Employees of Contractor and any authorized subcontractors shall perform their work under this Agreement under Contractor's sole control. Contractor hereby expressly acknowledges and agrees that as an

independent contractor, Contractor is not entitled to indemnification by the City or the provision of a defense by the City under the terms of ORS 30.285. This acknowledgment by Contractor shall not affect Contractor's independent ability (or the ability of Contractor's insurer) to assert that the monetary limitations found at ORS 30.272, the immunities listed at ORS 30.265 or other limitations affecting the assertion of any claim under the terms of the Oregon Tort Claims Act (ORS 30.260 to ORS 30.300).

10. Contractor Representations and Warranties.

Contractor represents and warrants to the City that:

- i. Contractor has the power, authority, ability, skills, and capacity to enter into and perform this Agreement, and when executed and delivered this Agreement shall be a valid and binding obligation of Contractor enforceable in accordance with its terms.
- ii. Contractor is validly organized and exists in good standing under the laws of the State of Oregon, and Contractor is duly qualified, registered or licensed to do business in good standing in the State of Oregon.
- iii. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action and do not and will not (a) require any further consent or approval of the board of directors or any shareholders of the Contractor or any other person which has not been obtained or (b) result in a breach or default under the certificate of incorporation or by-laws of the Contractor or any indenture or loan or credit agreement or other material agreement or instrument to which the Contractor is a party or by which the Contractor's properties and assets may be bound or affected. All such consents and approvals are in full force and effect.
- iv. Contractor is engaged as an independent contractor and will be responsible for any federal, state or local taxes applicable to any payments made under this Agreement.
- v. Contractor is not eligible for any federal social security, unemployment insurance, pension, PERS or workers' compensation benefits from compensation or payments paid to Contractor under this Agreement.
- vi. Contractor is not an employee of the City, any special district, local government, the federal government or the State of Oregon.
- vii. Contractor has complied and will continue to comply with all applicable federal, state, and local laws and regulations applicable to the performance of Contractor's obligations under this Agreement. Contractor warrants it is currently in compliance with all tax laws.

viii. Contractor warrants that as of the Effective Date there are no suits, actions, other proceedings, or reasonable anticipation thereof, in any judicial or quasi-judicial forum that will or may adversely affect Contractor's ability to fulfill its obligations under this Agreement. Contractor further warrants that it will immediately notify the City in writing if, during the Term of this Agreement, Contractor becomes aware of, or has reasonable anticipation of, any lawsuits, actions, or proceedings in any judicial or quasi-judicial forum that involves Contractor or any Subcontractor and that will or may adversely affect Contractor's ability to fulfill its obligations under this Agreement.

ix. Contractor, and Contractor's employees and subcontractors, shall be qualified, professionally competent and duly licensed to perform the work and Services at all times during the term of this Agreement.

x. Contractor has the skill and knowledge possessed by well-informed members of its industry, trade or profession and will apply that skill and knowledge with care and diligence to perform the Services under this Agreement in a professional manner and in accordance with standards prevalent in Contractor's industry, trade or profession under similar conditions and circumstances.

xi. Contractor has read, understands and agrees to be bound by each of the terms and conditions of this Agreement.

xii. Contractor prepared its Proposal for these Services independently from all other proposers, and without collusion, fraud or other dishonesty. Contractor warrants it has no present interest and shall not acquire any interest that would conflict in any manner with its duties and obligations under this Agreement.

xiii. Any Goods/Items/Equipment/Components/Hardware/Software/Intellectual Property Rights, etc. delivered to or granted to the City under this Agreement, and Contractor's Services rendered in the performance of Contractor's obligations under this Agreement, are provided to the City free and clear of any and all restrictions on or conditions of use, transfer, modification, or assignment, and are free and clear of any and all liens, claims, mortgages, security interests, liabilities, charges, and encumbrances of any kind.

xiv. The representations and warranties set forth in this section are in addition to, and not in lieu of, any other representations and warranties that Contractor provides.

11. Indemnity.

i. Contractor shall indemnify and hold harmless the City, its officers, elected and appointed officials, agents, and employees, from all claims, demands, suits, and actions for all losses, damages, liabilities, costs and expenses (including all attorneys' fees and costs), resulting from or arising out of the actions, errors, or omissions of Contractor or its officers, employees, subcontractors, or agents under this Agreement.

ii. Infringement Liability. Contractor shall indemnify and hold harmless the City, its directors, officers, employees, and agents from and against any and all claims, demands, suits, and actions for any damages, liabilities, losses, costs, and expenses (including reasonable attorneys' fees, whether or not at trial and/or on appeal), arising out of or in connection with any actual or alleged misappropriation, violation, or infringement of any proprietary right, whether arising from copyright, patent, trademark, trade secret or any other intellectual property right of any person whosoever. The City agrees to notify Contractor of the claim and gives Contractor sole control of the defense of the claim and negotiations for its settlement or compromise.

iii. Tax Liability. Contractor shall indemnify and hold harmless the City against any taxes, premiums, assessments, and other liabilities (including penalties and interest) that the City may be required to pay arising from Services or deliverables provided by Contractor under this Agreement. The City, as a municipal corporation of the State of Oregon, is a tax-exempt unit of local government under the laws of the State of Oregon and is not liable for any taxes.

iv. The obligations of the indemnifications extended by Contractor to the City shall survive the termination or expiration of this Agreement.

12. Insurance.

Contractor and its subcontractors shall provide the following insurance coverages. Contractor and its subcontractors must maintain that insurance until all their obligations have been discharged, including any warranty periods under this Agreement. The City in no way warrants that the limits stated in this section are sufficient to protect the Contractor from the liabilities that might arise out of the performance of the work under this Agreement by Contractor, its agents, representatives, employees, subcontractors, and Contractor may purchase such additional insurance as they determine necessary.

i. Commercial General Liability Insurance.

- a. The policy must be in an occurrence form and include bodily injury, property damage, broad form contractual liability coverage in the following amounts:

General Aggregate	\$2,000,000
Products-Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$2,000,000
Each Occurrence	\$2,000,000

- b. The policy shall be endorsed to name the City of Dayton and its elected and appointed officials, officers, agents, and employees as an additional insured with respect to liability for bodily injury, property damage, and personal and advertising injury with respect to premises, ongoing operations, products and completed operations, and liability assumed under an insured contract arising

out of the activities performed by, or on behalf of, the Contractor related to this Agreement.

- c. The endorsement shall be indicated on the Certificate of Insurance, and there shall be no endorsement or modification which limits the scope of coverage or the policy limits available to the City as an additional insured.
 - d. Contractor's insurance coverage must be primary insurance and non-contributory with respect to any insurance or self-insurance carried by the City.
- ii. Automobile Insurance.
- a. The policy shall cover bodily injury and property damage coverage for any owned, hired, and non-owned vehicles used in the performance of this Agreement. Automobile Liability coverage shall be written in an amount not less than \$2,000,000 combined single limit.
 - b. The policy shall be endorsed to include the City, its elected and appointed officials, officers, agents and employees as an additional insured with respect to liability arising out of the activities performed by, or on behalf of, Contractor relating to this Agreement.
 - c. The City shall be an additional insured to the full limits of liability purchased by the Contractor.

iii. Workers' Compensation Coverage. Contractor certifies that it has qualified for State of Oregon Workers' Compensation coverage for all Contractor's employees who are subject to Oregon's Workers' Compensation statute, either as a carrier-insured employer as provided by ORS 656.407 or as a self-insured employer. Contractor shall provide to the City within ten (10) days after contract award and prior to commencing Services, a certificate of insurance evidencing coverage of all subject workers under Oregon's Workers' Compensation statutes insured by an insurance company satisfactory to the City, if any. The certificate and policy shall indicate that the policy shall not be terminated by the insurance carrier without thirty (30) days' advance written notice to the City. A copy of the certificate of self-insurance issued by the State shall be provided to the City if Contractor is self-insured. To the extent permitted by law, a waiver of subrogation in favor of the City shall be included in the policy.

iv. Professional Liability (Errors and Omissions Liability). Contractor shall provide the City with evidence of professional errors and omissions liability insurance covering any damages caused by negligent acts, errors, or omissions related to the professional services and performance of duties and responsibilities under this Agreement, in an amount not less than \$2,000,000 combined single limit per occurrence. Contractor may opt to provide a claims-made policy with a combined single limit per claim of not less than

\$2,000,000; but in doing so, Contractor warrants that any retroactive date under the policy precedes the effective date of this Agreement and that either continuous coverage will be maintained, or an extended reporting period will be exercised for a period of three (3) years beginning at the time work under this Agreement is completed. Where any subcontractor provides professional services related to this Agreement, they must provide equivalent coverage.

v. Certificates. Contractor shall furnish the City with certificates evidencing the date, amount, and type of insurance required by this Agreement (ACCORD form or equivalent approved by the City). The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Contractor will provide not less than thirty (30) days' written notice to the City before a policy is canceled. Such notice will be mailed and emailed to the City Manager at the address and email above. All certificates and any required endorsements are to be received and approved by the City before the work commences. Each insurance policy required by this Agreement must be in effect at or prior to the commencement of the work under this Agreement and remain in effect for the duration of the project or extended reporting period, as required. Failure to maintain the insurance policies as required by this Agreement or to provide evidence of renewal is a material breach of this Agreement.

vi. Primary Coverage. The coverage provided by insurance required under this Agreement shall be primary and noncontributory, and any other insurance carried by the City shall be excess.

vii. Subcontractors. Contractor shall be responsible for ensuring and verifying that all subcontractors have valid and collectible insurance. At any time throughout the term of the Agreement, the City reserves the right to require proof from Contractor that its subcontractors have insurance coverage. All subcontractors providing services included under this Agreement's Scope of Services are subject to the insurance coverages identified above and must include the City as an additional insured. In certain circumstances, Contractor may, on behalf of its subcontractors, waive a specific type of coverage or limit of liability where appropriate to the type of work being performed under the subcontract. Contractor assumes liability for all subcontractors with respect to this Agreement.

viii. Acceptability of Insurers. Insurance is to be placed with insurers duly licensed or authorized to do business in the State of Oregon and with an "A.M. Best" rating of not less than A- VI. The City in no way warrants that the required minimum insurer rating is sufficient to protect Contractor from potential insurer insolvency.

13. Work Product.

All work produced by Contractor is the exclusive property of the City. “Work Product” includes but is not limited to, technical drawings, prints, blueprints, schematics, research, reports, computer programs, manuals, drawings, plans, recordings, photographs, artwork and any data or information in any form. Contractor and the City intend that such Work Product shall be deemed “work made for hire” of which the City shall be deemed the author. If for any reason, a Work Product is deemed not to be a “work made for hire,” upon payment for the Services, Contractor irrevocably assigns and transfers to the City all right, title and interest in such Work Product, whether arising from copyright, patent, trademark, trade secret, or any other state or federal intellectual property law or doctrine. Contractor shall obtain such interests and execute all documents necessary to fully vest such rights in the City. Contractor waives all rights relating to Work Product, including any rights arising under 17 USC § 106A, or any other rights of authorship, identification or approval, restriction or limitation on use or subsequent modifications.

Notwithstanding the above, all pre-existing trademarks, service marks, patents, copyrights, trade secrets, and other proprietary rights of Contractor are and will remain the exclusive property of Contractor. Contractor hereby grants to the City a non-exclusive, perpetual, irrevocable license, with the right to sublicense, to disclose, copy, distribute, display, perform, prepare derivative works of and otherwise exploit any pre-existing intellectual property rights incorporated into the Work Product(s).

14. Public Records and Confidentiality.

i. Public Records Requests. Contractor acknowledges that the City is subject to the Oregon Public Records Act and federal law. Third persons may claim that the Contractor Confidential Information (as defined below) that Contractor submitted to the City hereunder may be, by virtue of its possession by the City, a public record and subject to disclosure pursuant to the Oregon Public Records Act. The City’s commitments to maintain certain information confidentially under this Agreement are all subject to the constraints of Oregon and federal laws. All information submitted by Contractor to the City is a public record and subject to disclosure pursuant to the Oregon Public Records Act, except such portions for which Contractor requests and meets an exemption from disclosure consistent with federal or Oregon law, in accordance with the process set forth in Section 14.iii. Within the limits and discretion allowed by those laws, the City will make a good faith effort to maintain the confidentiality of information.

ii. Public Records Retention. The City will retain one (1) copy of any public records for the express purposes of complying with State of Oregon public records and archiving laws.

iii. Confidentiality.

- a. Contractor's Confidential Information. During the term of this Agreement, Contractor may disclose to the City certain Contractor confidential information pertaining to Contractor's business ("Contractor Confidential Information"). Contractor shall be required to mark Contractor Confidential Information CONFIDENTIAL with a restrictive legend or similar marking, together with a written statement describing the material which is requested to remain protected from disclosure and the justification for such request under Oregon public records laws. If Contractor Confidential Information is not clearly marked, or the Contractor Confidential Information cannot be marked with a restrictive legend or similar marking or is disclosed either orally or by visual presentation, Contractor shall identify the Contractor Confidential Information as confidential at the time of disclosure or within a reasonable time thereafter. This Agreement itself shall not be considered Contractor Confidential Information. Contractor Confidential Information does not include information that (1) is or becomes (other than by disclosure by the City) publicly known; (2) is furnished by Contractor to others without restrictions similar to those imposed by this Agreement; (3) is rightfully in the City's possession without the obligation of nondisclosure prior to the time of its disclosure under this Agreement; (4) is obtained from a source other than Contractor without the obligation of confidentiality, (5) is disclosed with the written consent of Contractor, or; (6) is independently developed by employees or agents of the City who can be shown to have had no access to the Contractor Confidential Information. Subject to subsection (i) and (ii), the City shall: (1) limit disclosure of Contractor Confidential Information to those directors, elected and appointed officials, employees, contractors and agents of the City who need to know the Contractor Confidential Information in connection with the Services and who have been informed of confidentiality obligations at least as strict as those contained in this Agreement, and (2) exercise reasonable care to protect the confidentiality of the Contractor Confidential Information, at least to the same degree of care as the City employs with respect to protecting its own proprietary and confidential information.
- b. City's Confidential Information. Any and all information that the City provides to Contractor or its employees or agents in the performance of this Agreement that the City designates as confidential (either on the document itself or through related correspondence), as well as all reports and other documents and materials that result from Contractor's use of such information and any other Work Product that the City designates as confidential, is deemed to be confidential information of the City ("City

Confidential Information”). City Confidential Information does not include information that (1) is or becomes (other than by disclosure by Contractor) publicly known; (2) is furnished by the City to others without restrictions similar to those imposed by this Agreement; (3) is rightfully in Contractor’s possession without the obligation of nondisclosure prior to the time of its disclosure under this Agreement; (4) is obtained from a source other than the City without the obligation of confidentiality, (5) is disclosed with the written consent of City, or; (6) is independently developed by employees or agents of Contractor who can be shown to have had no access to the Confidential Information.

- c. Contractor shall treat as confidential any City Confidential Information that has been made known or available to Contractor or that Contractor has received, learned, heard or observed; or to which Contractor has had access. Contractor shall use City Confidential Information exclusively for the City’s benefit in the performance of this Agreement. Except as may be expressly authorized in writing by the City, in no event shall Contractor publish, use, discuss or cause or permit to be disclosed to any other person such City Confidential Information. Contractor shall (1) limit disclosure of the City Confidential Information to those directors, officers, employees, subcontractors, and agents of Contractor who need to know the City Confidential Information in connection with the Services and who have agreed in writing to confidentiality obligations at least as strict as those contained in this Agreement, (2) exercise reasonable care to protect the confidentiality of the City Confidential Information, at least to the same degree of care as Contractor employs with respect to protecting its own proprietary and confidential information, and (3) return immediately to the City, upon its request, all materials containing City Confidential Information, in whatever form, that are in Contractor’s possession or custody or under its control. Contractor is expressly restricted from and shall not use the intellectual property rights of the City without the City’s prior written consent.
- d. Retroactivity. This Section shall apply to all City Confidential Information previously received, learned, observed, known by or made available to Contractor and related to this Agreement.
- e. Survival. Contractor’s confidentiality obligations under this Agreement shall survive termination or expiration of this Agreement.
- f. Equitable Relief. Contractor acknowledges that unauthorized disclosure of

City Confidential Information will result in irreparable harm to the City. The Parties agree that, notwithstanding any other section of this Agreement, in the event of a breach or a threatened breach of the Agreement's terms related to Confidential Information or intellectual property rights, the non-breaching Party shall be entitled to seek equitable relief to protect its interests, including but not limited to injunctive relief. Nothing stated herein shall be construed to limit any other remedies available to the Parties.

- g. Discovery of Documents. In the event a court of competent jurisdiction orders the release of Confidential Information submitted by one Party, the other Party will notify the Party whose Confidential Information is being requested to be disclosed of the request. The Party receiving the request shall allow the other Party to participate in the response at its own expense. Each Party will comply with any effective court order.

15. Changes in Work.

Any changes to the provisions of this Agreement shall be in the form of an amendment. No provision of this Agreement may be amended unless such amendment is executed in writing by authorized representatives of the Parties. If the requirements for amendment of this Agreement as described in this section are not satisfied in full, then such amendments automatically will be deemed null, void, invalid, non-binding, and of no legal force or effect. The City reserves the right to make administrative changes to the Agreement unilaterally, such as extending option years and increasing compensation. An administrative change means a written change that does not affect the substantive rights of the Parties.

The City and Contractor can agree to make changes at any time to the Statement of Work due to changed or extra work in the form of a change order. Only the City Manager may authorize a change order. Failure of Contractor to secure written authorization for a change order shall constitute a waiver of all right to adjustment in the contract price or contract time due to such unauthorized change order, and Contractor thereafter shall be entitled to no compensation whatsoever for the performance of such work. If the change order would change the Agreement's not-to-exceed amount, the change order must be in the form of an amendment.

16. Errors.

Contractor shall perform such additional work as may be necessary to correct errors in the Services required under this Agreement without undue delays and without additional cost.

17. Disputes.

Contractor shall cooperate with the City to ensure that all claims and controversies which arise during this Agreement will be resolved as expeditiously as possible in accordance with the following resolution procedure:

i. Any dispute between the City and Contractor shall attempt to be resolved by their respective Project Manager or designee.

ii. If the Project Managers are unable to resolve the dispute within three (3) days of notice of dispute is given by a Party, the dispute shall be referred to the Project Managers' superiors.

iii. If the dispute cannot be resolved pursuant to subsections (i) or (ii), the parties agree to mediate in a good faith prior to initiating litigation pursuant to Section 23.

18. Early Termination of Agreement.

i. The City may terminate this Agreement for convenience at any time for any reason deemed appropriate in its sole discretion. Termination is effective immediately upon notice of termination given by the City.

ii. Either Party may terminate this Agreement in the event of a material breach by the other Party that is not cured. Unless otherwise set forth in the Agreement, before termination is permitted, the Party seeking termination shall give the other Party written notice via certified mail of the breach, its intent to terminate, and thirty (30) calendar days to cure the breach. If the breach is not cured within thirty 30 days, the Party seeking termination may terminate immediately by giving written notice by certified mail that the Agreement is terminated. If there is an immediate risk of harm to life or property, the City may terminate the Agreement immediately and without regard to the 30-day notice provision.

Contractor shall promptly notify the City in writing upon the occurrence of any event that could reasonably be expected to result in a material adverse change in the financial condition, operations, or business prospects of the Contractor, including but not limited to insolvency, bankruptcy proceedings (whether voluntary or involuntary), appointment of a receiver, assignment for the benefit of creditors, or the commencement of any proceeding under any law relating to bankruptcy, insolvency, or the reorganization or relief of debtors.

In the event that the City determines, in its sole discretion, that Contractor's financial condition has materially deteriorated or that any such adverse event has occurred or is reasonably likely to occur, the City shall have the right to terminate this Agreement immediately upon written notice to Contractor, without penalty or further obligation.

19. Remedies and Payment on Early Termination.

i. If the City terminates pursuant to Section 18(i), the City shall pay Contractor for Services performed in accordance with the Agreement prior to the termination date. No other costs or loss of anticipated profits shall be paid.

ii. If the City terminates pursuant to Section 18(ii), the City is entitled all remedies available at law or equity. In addition, Contractor shall pay the City all damages, costs, and sums incurred by the City as a result of the breach.

iii. If the Contractor justifiably terminates the Agreement pursuant to 18(ii), Contractor's only remedy is payment for Services performed and accepted by the City prior to the effective date of the termination. No other costs or loss of anticipated profits shall be paid.

iv. If the City's termination under Section 18(ii) was wrongful, the termination shall be automatically converted to one for convenience, and Contractor shall be paid as if the Agreement was terminated under Section 18(i).

v. In the event of early termination, Contractor's Work Product before the date of termination becomes property of the City.

20. Compliance with Applicable Law.

Contractor shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to this Agreement. Without limiting the generality of the foregoing, Contractor expressly agrees to comply with the following laws, regulations and executive orders to the extent they are applicable to the Agreement: (i) Titles VI and VII of the Civil Rights Act of 1964, as amended; (ii) Sections 503 and 504 of the Rehabilitation Act of 1973, as amended; (iii) the Americans with Disabilities Act of 1990, as amended; (iv) Executive Order 11246, as amended; (v) the Health Insurance Portability and Accountability Act of 1996; (vi) the Age Discrimination in Employment Act of 1967, as amended, and the Age Discrimination Act of 1975, as amended; (vii) the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended; (viii) ORS Chapter 659, as amended; (ix) all regulations and administrative rules established pursuant to the foregoing laws; and (x) all other applicable requirements of federal, state and municipal civil rights and rehabilitation statutes, rules and regulations. These laws, regulations and executive orders are incorporated by reference herein to the extent that they are applicable to the Agreement and required by law to be so incorporated.

Certain Oregon laws apply to all public contracts in Oregon. The City's performance under the Agreement is conditioned upon Contractor's compliance with the applicable

provisions in Attachment 1, Statutorily Required Contract Provisions, which are incorporated herein by this reference.

21. Records and Audits.

i. Records Retention. Contractor shall maintain current financial records in accordance with Generally Accepted Accounting Principles (GAAP). Contractor agrees to maintain and retain and retain all financial records, supporting documents, statistical records and all other records pertinent to this Agreement during the term of this Agreement and for a minimum of six (6) years after the expiration or termination date of this Agreement, or for a minimum of six (6) years after all other pending matters in connection with this Agreement are closed, whichever is longer.

ii. City Audits. The City, either directly or through a designated representative, may conduct financial and performance audits of the billings and Services at any time in the course of the Agreement and during the records retention period listed above. Audits shall be conducted in accordance with generally accepted auditing standards as promulgated in Government Auditing Standards by the Comptroller General of the United States Government Accountability Office.

iii. Access to Records. The City may examine, audit and copy Contractor's books, documents, papers, and records relating to this Agreement at any time during the records retention period listed above upon reasonable notice. Copies of applicable records shall be made available upon request. Access to said documents shall be granted within seven (7) days written notice, or such other earlier time as is reasonable under the circumstances.

22. Law of Oregon.

This Agreement is governed by the laws of the State of Oregon without reference to its "conflict of laws" provisions that might otherwise require the application of the law of any other jurisdiction. Any action or suits involving any question arising under this Agreement shall be brought in the appropriate court of Yamhill County, Oregon.

23. Mediation, Trial By Jury, Attorneys' Fees.

i. Should any dispute arise between the Parties to this Agreement that cannot be resolved by Section 17, it is agreed that such dispute will be submitted to a mediator prior to any litigation, and the Parties hereby expressly agree that no claim or dispute arising under the terms of this Agreement shall be resolved other than first through mediation and only in the event said mediation efforts fail, through litigation. By mutual agreement, the Parties may waive mediation and proceed with litigation. The waiver shall be in writing and signed by an authorized representative of each Party.

ii. The Parties shall exercise good faith efforts to select a mediator who shall be compensated equally by both Parties. Mediation will be conducted in Yamhill County, Oregon, unless both Parties agree in writing otherwise. Both Parties agree to exercise good faith efforts to resolve disputes covered by this section through this mediation process. If a Party requests mediation and the other party fails to respond within ten (10) days, or if the Parties fail to agree on a mediator within ten (10) days, a mediator shall be appointed by the presiding judge of the Yamhill County Circuit Court upon the request of either Party.

iii. Any litigation arising under or as a result of this Agreement shall be tried to the court without a jury.

iv. In any mediation or litigation arising under this Agreement, each Party shall bear its own fees and costs, including attorneys' fees.

v. Any legal proceeding of any nature whatsoever brought by Contractor against the City that asserts a breach of contract, a declaratory judgment proceeding, or any other legal or equitable claim related to, or arising from, the Services performed under this Agreement shall be brought within one (1) year of the date that final payment is made to Contractor, regardless of whether Contractor is aware of the legal claim it might have during that time. If the legal proceeding is not brought within that one (1) year period, Contractor expressly waives any and all claims that are in any way related to the Agreement. For purposes of this subsection, final payment is considered to be made when the City sends a check to Contractor that contains the undisputed balance that is due for all Services performed prior to the expiration or termination of the Agreement. The subsequent payment of minor amounts to Contractor that constitute less than 2% of the total cost of Services performed, or the payment of claims made pursuant to section 17, shall not affect the date when final payment is considered to have been made.

24. Conflict of Interest.

Contractor hereby certifies that it is not a City official/employee or a business with which a City official/employee is associated, and that to the best of its knowledge, Contractor, its employee(s), officer(s) or its director(s) is not a City official/employee or a relative of any City official/employee who: (1) has responsibility in making decisions or ability to influence decision-making on the Agreement or project to which this Agreement pertains; (2) has or will participate in evaluation or management of the Agreement; or (3) has or will have financial benefits in the Agreement. Contractor understands that should it elect to employ any former City official/employee during the term of the Agreement, then that former City official/Contractor employee must comply with applicable government ethics and conflicts of interest provisions in ORS Chapter 244, including but not limited to ORS 244.040(5) and ORS 244.047, and any provisions of the City's Charter, Code, ordinances, or administrative rules.

25. Subcontractors.

The Contractor is solely and exclusively for the performance of the Services, notwithstanding any subcontracts that it enters into for the performance of the Services. Contractor shall provide a list of all subcontractors with which Contractor intends to utilize in providing Services. This list shall include such information on their relevant qualifications as may be requested by the City. The City reserves the right to review and reject Contractor's use of subcontractors where the City has a reasonable objection. Contractor shall obtain the City's written consent prior to entering into any subcontracts for any of the Services required by the Agreement.

26. Force Majeure.

A "Force Majeure Event" is an exceptional, unforeseeable and unavoidable occurrence beyond the reasonable control of the affected Party, such as, riots, epidemics, war, government regulations, labor disputes, fire, natural phenomena, or other unforeseeable causes beyond such Party's reasonable control. In the event that either Party is unable to perform any of its obligations under this Agreement due to a Force Majeure Event not the fault of the affected Party, the Party who has been so affected immediately shall give notice to the other Party and shall do everything reasonably possible to resume performance. Upon receipt of such notice, the performance obligations affected by the Force Majeure event shall immediately be suspended.

If the period of nonperformance exceeds fifteen (15) calendar days from the receipt of notice of the Force Majeure Event, the Party whose ability to perform has not been so affected may, by giving written notice, terminate this Agreement.

If the period of nonperformance due to a Force Majeure Event does not exceed fifteen (15) calendar days, such nonperformance shall automatically extend the time to complete the Services for a period equal to the duration of such events. Any warranty period affected by a Force Majeure Event shall likewise be extended for a period equal to the duration of such event.

If the period of nonperformance due to Force Majeure Event is longer than fifteen (15) calendar days, the Parties shall negotiate options for mitigate the Force Majeure Event.

27. City Specific Requirements.

The City has received financing from the Oregon Infrastructure Finance Authority of the Oregon Business Development Department ("OBDD") for funding the Fisher Farms well development feasibility study project ("Project") under this Agreement. Accordingly, Contractor shall comply with the following conditions as required by the terms of the City's OBDD financing contract:

i. Financing Notification. The following statement shall be prominently placed, on all plans, reports, bid documents and advertisements relating to the Project: “This Project was funded in part with a financial award from the Water Fund, funded by the Oregon State Lottery and administered by the State of Oregon, Business Development Department.”

ii. Indemnification. Contractor shall indemnify, defend, save and hold harmless the State of Oregon and its officers, employees and agents (“Indemnatee”) from and against any and all claims, actions, liabilities, damages, losses, or expenses (including attorneys’ fees) arising from a tort (as now or hereafter defined in ORS 30.260) caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of the officers, agents, employees or subcontractors of Contractor (“Contractor Tort Claims”). It is the specific intention of the Parties that the Indemnatee shall, in all instances, except for Contractor Tort Claims arising solely from the negligent or willful acts or omissions of the Indemnatee, be indemnified by Contractor from and against any and all Contractor Tort Claims. This Section shall survive termination of this Agreement.

28. General Provisions.

i. Successors and Assigns. Each party binds itself, and any partner, successor, executor, administrator or assign to this Agreement.

ii. Assignment. Contractor shall not assign, sublet or transfer any interest in or duty under this Agreement without the written consent of the City and no assignment shall be of any force or effect whatsoever unless and until the City has so consented. For purposes of this Section, the acquisition, merger, consolidation or change in control of Contractor or any assignment by operation of law shall be considered an assignment of this Agreement that requires the City’s prior written consent. If the City agrees to assignment of tasks to a subcontractor, Contractor shall be fully responsible for the acts or omissions of any subcontractors and of all persons employed by them, and neither the approval by the City of any subcontractor nor anything contained in this Agreement shall be deemed to create any contractual relation between them and the City.

iii. Change in Ownership. If, during the term of this Agreement, Contractor experiences a change in ownership or control, Contractor shall immediately notify the City in writing. Failure to notify the City of such a change in ownership or control is sufficient grounds for terminating this Agreement.

iv. Severability. In the event any provision or portion of this Agreement is held to be unenforceable or invalid by any court of competent jurisdiction, the validity of the

remaining terms and provisions shall not be affected to the extent that it did not materially affect the intent of the Parties when they entered into the Agreement.

v. No Third-Party Beneficiaries. Contractor and the City are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly or indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.

vi. Non-Discrimination. Each Party agrees not to discriminate on the basis of age, citizenship status, color, familial status, gender identity or expression, marital status, mental disability, national origin, physical disability, race, religion, religious observance, sex, sexual orientation, and source or level of income in the performance of this Agreement.

vii. News Releases and Public Announcements. Contractor shall not use the City seal or other representations of the City in its external advertising, marketing, website, or other promotional efforts, nor shall Contractor issue any news release or public announcements pertaining to this Agreement or the Services without the express written approval of the City. Such approval may be withheld in the City's sole discretion.

viii. Exclusivity. This is not an exclusive contract, and the City retains the right to contract with other entities or contractors for the same or similar goods or services as provided under this Agreement in the City's sole discretion.

ix. Integration. This Agreement and attached Exhibits and Attachments constitutes the entire Agreement between the Parties. There are no understandings, agreements, or representations, oral or written, not specified in this Agreement regarding this Agreement.

x. No Waiver. No waiver, consent, modification, or change of terms of this Agreement shall bind either Party unless in writing and signed by both Parties. Such waiver, consent, modification, or change if made, shall be effective only in specific instances and for the specific purpose given.

xi. Order of Precedence. Should there be any conflict between the terms of this Agreement and the Contractor's proposed contract terms, scope of work, or any other document provided by the Contractor, this Agreement shall follow the following order of precedence:

Highest Priority: Amendments
 This Agreement
 Change Orders
 Exhibit A, Scope of Services

Exhibit B, Contractor's Fee Proposal and Hourly Rates
Other Exhibits
The City's Solicitation

Lowest Priority: Exhibit C, the Contractor's Proposal

xii. Survival. All provisions in this Agreement, which by their nature should remain in effect beyond termination or expiration of this Agreement, will survive until fulfilled.

xiii. Counterparts; Electronic Signatures. The Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original and such counterparts shall together constitute but one and the same Agreement. The City and Contractor may conduct this transaction, including any amendments, by electronic means, including the use of electronic signatures.

xiv. Independent Legal Review. The Parties, by the signature of their authorized representatives, acknowledge that they have read this Agreement, have performed an independent legal review, understand it, and agree to be bound by its terms and conditions. This Agreement has been drafted by the City in the general format by the City as a convenience to the Parties only and shall not, by reason of such action, be construed against the City. Section headings are for ease of reference and convenience only and shall not affect or enter into the interpretation of any portion of this Agreement.

* * *

* * *

SIGNATURE PAGE

IN WITNESS HEREOF, the Parties hereby cause this Agreement to be executed.

GSI WATER SOLUTIONS, INC.

CITY OF DAYTON

Matt Kohlbecker
President and Principal Hydrogeologist

Jeremy Caudle
City Manager

Date

Date

ATTACHMENT 1

Statutorily Required Public Contracting Provisions

Contractor shall observe all applicable state and local laws pertaining to public contracts. Pursuant to ORS Chapters 279A, 279B and 279C, which require every public contract to contain certain provisions, and other state law, the following provisions shall be a part of this contract, as applicable. All defined terms in this Attachment shall be interpreted in accordance with the solicitation or contract document and the relevant statutory provision. Subcontractor shall be read to mean subcontractor or subconsultant.

1. ORS 279A.110 (Non-discrimination Certification): Contractor shall certify that Contractor has not discriminated and will not discriminate against a Subcontractor in the awarding of a subcontract because the Subcontractor is a disadvantaged, minority owned, woman owned, veteran owned, or emerging small business enterprise (certified under ORS 200.055.), or a business that is owned or controlled by, or employs a disabled veteran (as defined in ORS 408.225).
2. Pursuant to ORS 279B.220 or 279C.505, as applicable, Contractor shall make payment promptly, as due, to all persons supplying to the contractor labor or material for the performance of the work provided for in the contract; shall pay all contributions or amounts due the Industrial Accident Fund from the contractor or subcontractor incurred in the performance of the contract; not permit any lien or claim to be filed or prosecuted against the state or a county, school district, municipality, municipal corporation or subdivision thereof, on account of any labor or material furnished, and; pay to the Department of Revenue all sums withheld from employees under ORS 316.167.
3. Pursuant to ORS 279B.225, every public contract for lawn and landscape maintenance shall contain a condition requiring the contractor to salvage, recycle, compost or mulch yard waste material at an approved site, if feasible and cost-effective.
4. Pursuant to ORS 279B.230(1) or 279C.530(1), as applicable, Contractor shall promptly, as due, make payment to any person, co-partnership, association or corporation, furnishing medical, surgical and hospital care or other needed care and attention, incident to sickness or injury, to the employees of such contractor, of all sums which the contractor agrees to pay for such services and all monies and sums which the contractor collected or deducted from the wages of employees pursuant to any law, contract or agreement for the purpose of providing or paying for such service.
5. Pursuant to ORS 279B.230(2) or 279C.530.(2), as applicable, in every public contract, all subject employers working under the contract are either employers that will comply with ORS 656.017 or employers that are exempt under ORS 656.126.

6. Pursuant to ORS 279B.235(1) and 279B.020 and ORS 279C.520 and 279C.540 (Hours of Labor, Holidays, and Overtime): Except as otherwise provided in an applicable collective bargaining agreement with a labor organization, Contractor shall not employ and shall require that its Subcontractors not employ any person to perform work for more than ten hours in any one day, or 40 hours in any one week, except in cases of necessity, emergency, or where the public policy absolutely requires it, and in such cases, except in cases of Contracts for personal services as defined in ORS 279A.055, the laborer shall be paid at least time and a half pay:
- i. For all overtime in excess of eight hours a day or 40 hours in any one week when the work week is five consecutive days, Monday through Friday; and
 - ii. For all overtime in excess of ten hours a day or 40 hours in any one week when the work week is four consecutive days, Monday through Friday; and
 - iii. For work performed on Saturday and on any legal holiday specified in any applicable collective bargaining agreement or ORS 279C.540(1)(b).
 - iv. The requirement to pay at least time and a half for all overtime worked in excess of 40 hours in any one week shall not apply to individuals who are excluded under ORS 653.010 to 653.261 or under 29 U.S.C. Section 201 to 209 from receiving overtime.
 - v. Contractor shall and shall require its Subcontractors to give notice in writing to their employees who work under this contract, either at the time of hire or before commencement of Work or Services under the contract, or by posting a notice in a location frequented by employees, of the number of hours per day and days per week that the employees may be required to work.
7. Environmental Laws. Contractor shall comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).
8. Oregon Tax Law Compliance: Contractor must, throughout the duration of this contract and any extensions, comply with all tax laws of this state and all applicable tax laws of any political subdivision of this state. Contractor (to the best of Contractor's knowledge, after due inquiry), for a period of no fewer than six calendar years preceding the date of this contract, represents and warrants that it has faithfully complied with, and will continue to comply with during the term of this contract: (A) all tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318; (B) any tax provisions imposed by a political subdivision of this state that applied to Contractor, to Contractor's property, operations, receipts, or income, or to Contractor's performance of or compensation for any work performed by Contractor; (C) any tax provisions imposed by a political subdivision of this state that applied to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor; and (D) any rules, regulations, charter provisions, or ordinances that

implemented or enforced any of the foregoing tax laws or provisions. Failure to comply with this section is a default for which the City may terminate the contract and seek damages and other relief available under the terms of the contract or under applicable law.

9. Foreign Contractor. If Contractor is not domiciled in or registered to do business in the state of Oregon, Contractor shall promptly provide to the Oregon Department of Revenue and the Secretary of State Corporation Division all information required by those agencies relative to this contract. Contractor shall demonstrate its legal capacity to perform these services in the state of Oregon prior to entering into this contract.
10. Assignment or Transfer Restricted. Unless otherwise provided in the contract, the Contractor shall not assign, sell, dispose of, or transfer rights, or delegate duties under the contract, either in whole or in part, without the Contracting Agency's prior Written consent. Unless otherwise agreed by the Contracting Agency in writing, such consent shall not relieve the Contractor of any obligations under the contract. Any assignee or transferee shall be considered the agent of the Contractor and be bound to abide by all provisions of the contract. If the Contracting Agency consents in writing to an assignment, sale, disposal or transfer of the Contractor's rights or delegation of Contractor's duties, the Contractor and its surety, if any, shall remain liable to the Contracting Agency for complete performance of the contract as if no such assignment, sale, disposal, transfer or delegation had occurred unless the Contracting Agency otherwise agrees in writing.

EXHIBIT A

SCOPE OF SERVICES

SUMMARY

The City acquired the Fisher Nursery property to secure irrigation water rights and associated wells, subsequently completing water-rights permitting actions in 2016 and 2018 to convert the character of use to municipal, adjust the place of use to the Dayton service area, and add multiple points of appropriation. The resulting water right authorizes nine points of appropriation, including four existing wells on the property (Wells 1–4) and five potential locations for future municipal wells.

To determine how best to develop a reliable groundwater supply under these water rights, the City requires a comprehensive evaluation of the existing wells, confirmation of Oregon Health Authority (OHA) permitting requirements, assessment of well condition and groundwater quality, and performance testing sufficient to support planning for long-term source development. Some of this work will also satisfy OHA initial plan-review requirements for use of the wells as municipal supply sources.

Contractor’s evaluation and testing will support development of a groundwater-supply strategy that identifies which existing wells are suitable for further investment, the improvements and costs necessary to bring such wells into service, and whether additional points of appropriation should be targets for new well construction.

DESCRIPTION OF SERVICES

Contractor shall perform all Services necessary to support the City’s due diligence and groundwater-source development planning for the Fisher Nursery water rights.

Contractor’s Services shall include, without limitation, the professional hydrogeologic, permitting, field, and analytical work described in Contractor’s *Scope of Work and Fee Estimate*, dated October 2, 2025 (the “GSI Scope”), which is attached as **Exhibit C** and incorporated herein by reference as though fully set forth.

Contractor’s Services will include work substantially corresponding to the following:

1. **OHA Initial Plan Review (Task 1):** Contractor shall conduct the initial phase of OHA’s drinking-water source plan-review process for the four existing wells, including site and records review, assessment of sanitary hazards, evaluation of well setback and radius-of-control requirements, determination of whether the wells may qualify as being completed in a confined aquifer, preparation of required submittals,

and coordination with the City regarding OHA findings and next-step recommendations.

2. **Well Evaluation and Testing (Task 2):** Contractor shall evaluate the physical condition and performance potential of the existing wells and their pumping systems; perform down-hole inspections, remove and reinstall pumps (as appropriate), collect groundwater quality samples for Safe Drinking Water Act analyses and biofouling assessment, install temporary pumps, and conduct 24-hour constant-rate aquifer tests to characterize well yield, aquifer conditions, and interference between wells.
3. **Reporting and Strategy Development (Task 3):** Contractor shall prepare a technical memorandum synthesizing all findings; identify fatal flaws or limitations for each existing well; summarize required improvements and planning-level costs; estimate long-term capacities and mutual well interference; and develop a conceptual approach and planning-level cost estimate for a potential new municipal well at the site.

All tasks, subtasks, assumptions, deliverables, and schedules shall be as set forth in the GSI Scope.

KEY PERSONS

Holly Norcom, Staff Hydrogeologist

Matt Kohlbecker, President and Principal Hydrogeologist

SERVICES SCHEDULE

Contractor shall complete the Service and provide deliverables in accordance with the following schedule:

Project Start Date: Contractor shall commence Services upon the City's receipt of a fully executed technical-assistance funding contract from Business Oregon, estimated to occur no later than **December 1, 2025** and the Parties execution of this Agreement.

Initial OHA Plan Review Submittal (Task 1): Contractor shall complete all Task 1 activities and submit the Initial Oregon Health Authority Plan Review to OHA by **February 15, 2026**.

Well Evaluation, Groundwater Quality Sampling, and Aquifer Testing (Task 2): Contractor shall conduct field activities—including groundwater sampling, well inspection, pump removal/reinstallation, down-hole video inspection, and 24-hour aquifer testing—during **April through May 2026**, subject to site access, weather, and coordination with subcontractors.

Draft and Final Strategy Development Report (Task 3): Contractor shall prepare and provide the City with a draft groundwater-development strategy and technical memorandum in **June 1, 2026** and shall deliver the final report, incorporating one round of City comments, with a presentation to the City Council by **July 7, 2026**

EXHIBIT B

Contractor's Fee Proposal and hourly rates.



2025 GSI Fee Schedule

Labor Category	Hourly Rate
Technical Professionals	
Principal	\$205 - \$280
Supervising	\$195 - \$235
Managing	\$170 - \$200
Consulting	\$155 - \$185
Project	\$135 - \$170
Staff	\$115 - \$150
Other Services	
GIS/Graphics/Database	\$120 - \$175
Editor/Documents	\$120 - \$145
Administration	\$90 - \$125

The hourly rate for trial preparation and expert witness testimony is 1.5 times the standard billing rate shown above.

Expenses

- **Mileage:** IRS authorized rate/mile plus 10 percent markup
- **Direct expenses and outside services:** Cost plus 10 percent markup
- **Enterprise GIS:** \$100 per month for the duration of use

**Hourly rates are subject to annual increases on the contract anniversary date.*

Fee Estimate

GSI's proposed fee to complete the tasks on a time-and-materials not-to-exceed basis is **\$174,910**, assuming all four wells are tested. This budget will not be exceeded without prior authorization and includes a 10 percent markup on subcontracted services and reimbursable expenses. This work will be performed in accordance with GSI's 2025 rate schedule (attached).

Tasks	Labor Hours	Labor Cost	Outside Services	Direct Expenses	Total
Task 1 – Initial OHA Plan Review	81	\$11,580	\$0	\$49	\$11,629
Task 2 – Well Evaluation and Testing	120	\$19,290	\$116,292	\$294	\$135,876
Task 3 – Reporting and Strategy Development	177	\$27,405	\$0	\$0	\$27,405
Project Totals (All Wells Tested Scenario)	378	\$58,275	\$116,292	\$343	\$174,910

EXHIBIT C

Contractor's "Scope of Work and Fee Estimate" for Fisher Farms Well Development



October 2, 2025

Jeremy Caudle, City Manager
City of Dayton
jcaudle@daytonoregon.gov

Re: Request for Proposals (RFP): Fisher Farms Well Improvement Project

Dear Jeremy:

We appreciate the opportunity to demonstrate our qualifications and provide a cost estimate for supporting the Fisher Farms Well Improvement Project for the City of Dayton (City). The project includes groundwater quality sampling, permitting, and due diligence activities to bring the Fisher Farms wells online, and is the first step towards meeting the critical objective of securing the City's future water supply. We have had the pleasure of partnering with the City on the Fisher Farms wells since 2014 and look forward to applying our institutional knowledge and history to help the City complete this project.

As the City's hydrogeologist of record since 2001, GSI Water Solutions, Inc. (GSI), provides the City with a team of uniquely qualified hydrogeologists that recognize the importance of the project and have a long history working with the City to develop a reliable water supply. Our team brings the following benefits to the City:

- **Institutional knowledge and continuity of staff that sets the project up for success.** The key GSI staff that will be dedicated to this project are deeply ingrained in this project and have extensive knowledge of the City's water rights and water supply wells. **Our team members will draw upon our knowledge of the Fisher Farms water rights and well history and the unique challenges associated with the City's other wells and water rights to help the City successfully and cost-effectively meet its water supply objectives.**
- **Unparalleled water supply well expertise that will help minimize surprises in later phases.** GSI's Portland-based personnel have conducted due diligence activities for, designed, overseen, and tested more than 25 water wells in Oregon in the past two years alone—more than any other firm in Oregon. **The benefit to the City is clear: we understand how to do the groundwater quality sampling, permitting, and other due diligence activities correctly and cost-effectively to ultimately deliver a successful water supply well to the City.**
- **A highly experienced project manager with first-hand understanding of the project needs.** I have worked with the City since joining GSI in 2007, and over the course of my career, I have managed more than two dozen water supply well projects from preliminary due diligence activities through development of a successful production well. Over the years, I have helped the City to overcome numerous water resources challenges, beginning with the construction of Well 2 and Well 5 in the joint wellfield. **I understand the importance of this water supply project first-hand, and I am personally invested in seeing the project succeed.**

I am confident that our project team has the combination of technical expertise and deep history with this project to help the City successfully expand its groundwater supply. Thank you for your consideration of our proposal.

Sincerely,
GSI Water Solutions, Inc.

A handwritten signature in black ink, appearing to read "Matt Kohlbecker", written over a light blue horizontal line.

Matt Kohlbecker, RG
Principal Hydrogeologist

GSI's Experience with the Fisher Farms Wells

In 2014, the City of Dayton (City) was considering purchasing the former Fisher Farms property to obtain its associated water rights and wells. The City was interested in acquiring the water rights and wells to increase the reliable capacity of their municipal water system. Before the City purchased the property, GSI Water Solutions, Inc. (GSI), completed a due diligence investigation of the existing wells and water rights at the request of the City. GSI's water rights' and municipal supply well specialists reviewed the existing water rights and well construction information to: (1) evaluate whether the water rights were in good standing, (2) assess whether the wells met Oregon Water Resources Department and Oregon Health Authority standards for converting them from irrigation wells to municipal water supply wells, and (3) identify data gaps and recommend next steps.

Results of the due diligence investigation were favorable, and the City purchased the property, including its wells and water rights. GSI prepared the water rights transfer applications; changed the character of use, place of use, and points of appropriation to facilitate future use of the water rights for municipal supply purposes; and facilitated the conveyance of all the water rights from the previous owner to the City. As part of the transfer, GSI added more wells to the water rights to enable the City to develop a wellfield at the site in the future. The site is approved for up to 9 wells with approximately 900 gallons per minute (gpm) of instantaneous pumping capacity and 113 million gallons (MG) of total annual volume available year-round. GSI continues to provide the City with annual groundwater level monitoring and reporting services of the wells to meet provisions of the water right permits.

The City recently received funding to continue developing and permitting the wells for municipal supply purposes. Some well performance tests have been completed for the water rights transfer process, and some water quality samples were collected for a preliminary screening-level assessment of select contaminants. However the existing water quality data are incomplete and more samples must be collected. The City intends to use the funding to complete the necessary elements of the plan review process required by OHA's Drinking Water Services to add the wells to the City's water system as new municipal supply sources.

The GSI Team's Experience with the City's Water Supply

The team members who would support this project have been working closely with the City for many years. The following table outlines their history with your groundwater system:

GSI Staff	Role	Fisher Farms Annual Monitoring and Water Rights Reporting (2014–present)	Fisher Farms Well Due Diligence Evaluation (2014–2016)	Well No. 2 and No. 5 Construction and Permitting (2007-2008)	Well No. 3 and No. 4 Rehabilitation (2009-2010)	McDougal Well Rehabilitation (2008)	Watershed Springs Rehabilitation (2011-2012)
Matt Kohlbecker, RG	PM, Hydrogeology Lead	■	■	■	■	■	■
Kim Grigsby	Water Rights		■	■			
Kenny Janssen, RG	Technical Expertise	■	■				
Renee Fowler	Water Quality Lead	■					
Jessica Cain, GIT	Water Quality Lead	■					



Scope of Work and Fee Estimate

To: Jeremy Caudle / City of Dayton

From: Matt Kohlbecker, RG / GSI Water Solutions, Inc.

Cc: Kenny Janssen, RG / GSI Water Solutions, Inc.

Date: October 2, 2025

RE: Fisher Farms Well Development, City of Dayton, Oregon

This scope of work and fee estimate, prepared by GSI Water Solutions, Inc. (GSI), is to support the City of Dayton (City) with certain due diligence activities that will inform a strategy for developing a groundwater source under the Fisher Farms groundwater rights (specifically, the extent to which the groundwater rights are developed using existing groundwater wells and new groundwater wells). Note that this scope of work updates the April 2, 2025, scope of work. Specifically, scope items that were not in the City's Request for Proposals (RFP) are not included in this update (the RFP was provided to GSI on September 25, 2025).

Introduction

The City purchased the Fisher Farms property to obtain the associated irrigation water rights and wells. In 2016 and 2018, the City completed water rights permitting tasks to transfer the character of use to municipal, transfer the place of use to within the City of Dayton service area, and add additional points of appropriation (i.e., locations where a new well could be constructed to pump groundwater from the aquifer)¹. The water right now includes a total of nine points of appropriation, five of which would be new wells and four of which are existing wells located at the Fisher Farms property:

- Well No. 1 (YAMH 5453; 2014 4-hour test capacity of 46 gpm and SC of 1.1 gpm/ft)
- Well No. 2 (YAMH 5369; 2014 4-hour test capacity of 33 gpm and SC of 1.4 gpm/ft)
- Well No. 3 (YAMH 52469; 2014 4-hour test capacity of 215 gpm and SC of 2.8 gpm/ft)
- Well No. 4 (YAMH 5447; 2014 4-hour test capacity of 133 gpm and SC of 2.2 gpm/ft)

The City needs a strategy for developing a groundwater source under the Fisher Farms water rights, to ensure that further investment in the existing wells is justified based on permitting considerations, well condition, and well capacity. Some of the tasks that are conducted as a part of strategy development will also meet new drinking water source permitting requirements (e.g., preparation of an initial plan review for OHA). Ultimately, the strategy will likely be a combination of using some of the existing wells and targeting other points of appropriation as future sites for a new well or wells.

Limited work has been done to evaluate the suitability of the existing wells as future municipal supply sources. In 2014, GSI reviewed construction of the existing wells and found that the wells are properly constructed, and anticipated to comply with Oregon Water Resources Department (OWRD) or Oregon Health Authority (OHA)

¹ See Transfers T-12454 and T-12140

requirements. However, the City still needs to conduct the following due diligence activities to further assess well suitability and meet OHA Plan Review requirements to permit the wells as municipal supply sources:

- Determine if OHA concurs that the wells meet the requirements set forth in an OHA Plan Review.
- Evaluate whether there is privately held land within 100 feet of the wells and, if so, whether the landowner is willing to enter into a perpetually restrictive easement for the land that would limit activities that could occur on a portion of their property (e.g., chemicals that could be used). Note that there is clearly privately held land within 100 feet of Well 2, and there may be privately held land within 100 feet of Well 3 and Well 4. The radius of ownership and control must have a minimum radius of 100 feet unless a technical justification can be made to support a smaller area. A technical justification would require an assessment of local hydrogeologic conditions, site setting, and aquifer vulnerability. A request to reduce the 100-foot setback could be made if site and subsurface conditions are favorable and there is no indication that the proposed reduction would result in unreasonable risk to the health of consumers. OHA may request that the City attempt to establish an easement agreement with neighboring property owner(s) if the 100-foot radius extends beyond the well site property boundary before considering a request to reduce the setback requirement.
- Collect groundwater quality samples to determine if groundwater quality meets the requirements of the Safe Drinking Water Act and if an advanced microbial population is established in the well (which would make the well susceptible to biofouling). The biofouling analysis is a “Bacterial Assessment” from Water Systems Consulting.
- Inspect the wells to assess whether the condition of the well casings, screens and existing pumping systems are acceptable, prior to making the required infrastructure investments to develop the wells as municipal supply sources.
- Pump test the wells to confirm that their performance is sufficient to justify further investment in the wells as supply sources.

This scope of work is designed to conduct these due diligence activities to help the City develop a strategy for developing groundwater under the water rights previously held by Fisher Farms.

Scope of Work

The due diligence activities that will be conducted by GSI as a part of this scope of work are organized into the following tasks:

- Task 1 – Initial Oregon Health Authority Plan Review
- Task 2 – Well Evaluation and Testing
- Task 3 – Reporting and Strategy Development

The following sections discuss these tasks in additional detail.

Task 1 – Initial Oregon Health Authority Plan Review

The purpose of Task 1 is to initiate the plan review process for the former Fisher Farms wells, which is required by OHA for the wells to be used as public water supply sources. As a part of this process, the City will meet OHA requirements for developing the wells and, in addition, learn if there are any OHA-permitting-related concerns with developing the existing wells.

The plan review process involves two phases—an initial plan review and a final plan review. This task is for GSI to develop the initial plan review. The final plan review includes such details as specifications for the well pump and permanent pumping system; specifications for piping, fittings, controls, system connection information, and water treatment equipment; water quality data; as-built construction for the well; and aquifer testing data. Typically, the engineering firm that is designing and constructing the pump station for the well completes the final plan review.

GSI’s preparation of the initial plan review will include:

- Review City and/or County records to identify whether septic systems, sewage/storm drainage systems, or buried fuel tanks are located on the property.
- Assess whether privately held land is located within 100 feet of the existing wells, which is important because OHA requires that the City own all land within 100 feet of a municipal supply well or obtain a perpetually restrictive easement for the land (called the “100 foot radius of control”). A review of aerial photography indicates that Well No. 2 is clearly within 100 feet of a tax lot not owned by the City and will require a perpetual restrictive easement to meet OHA requirements². Well No. 3 and Well No. 4 may be located within 100 feet of a tax lot not owned by the City³. GSI will oversee a survey to determine if Well No. 3 and Well No. 4 meet OHA’s 100 foot radius of control requirement. If the wells do not meet the radius of control requirement, then the City will need to pursue a perpetual restrictive easement with the adjacent property owner(s).
- Evaluate whether the wells are completed in a confined aquifer (which could be used as the basis for a waiver from OHA setback requirements from sanitary hazards) based on groundwater quality data, geology, and/or well construction.
- Prepare and submit the OHA Initial Plan review, including a site plan, property ownership documentation, well construction specifications, land use compatibility statement, and compilation of water rights information.

Task 1 Assumptions

- OHA plan review fees (anticipated to be \$4,125, with a single OHA fee covering all four wells) will be paid directly by the City. Note that this is OHA’s “combo fee” and is applicable only if the City plans to start using wells at the same time. If the City plans to bring wells into production at different times, then individual fees would need to be paid (about \$3,300 per well).
- Based on information provided by Westech Engineers, a site survey is not needed.
- The City will arrange access to any property required.
- The neighboring property owners will be approached and perpetual restrictive easements will be negotiated and prepared by the City and will occur in parallel with preparation of the plan review by GSI.
- The site walk will occur in March 2026 when GSI staff are in the area for water level monitoring.
- The City will submit the Land Use Compatibility Statement to the land use authority (anticipated to be Yamhill County).
- A total of eight (8) hours of a staff hydrogeologist’s time are budgeted for City and County records review.

Task 1 Deliverables

- OHA Initial Plan Review for submittal to OHA

Task 2 – Well Evaluation and Testing

The purpose of Task 2 is to evaluate the condition of the former Fisher Farms wells and existing pumping systems; collect water quality data and submit for drinking water analyses; and conduct aquifer pumping tests. GSI will subcontract Schneider Water Services (SWS) to execute Task 2. GSI and/or SWS will conduct the following activities:

- Remove the pump/motor and pump column from each well, assess pump/motor and pump column conditions, and recommend repairs or replacements.
- Conduct down-hole well video surveys to inspect the existing condition of each well (casing, screen, etc.) and recommend redevelopment or reconditioning, if warranted.

² Tax lot 1101 is owned by Amy J Hendrick

³ These tax lots are owned by the Sweeny Living Trust

- At each well, install a temporary pump and conduct a long-term (i.e., 24-hour) constant rate aquifer test to develop reliable estimates for well capacity and interference between wells. GSI will equip each well with a pressure transducer to monitor water levels during the test.
- Collect groundwater quality samples from each well at the beginning and near the end of the aquifer test and submit the samples to Water Systems Engineering (WSE) to evaluate the potential for biofouling conditions.
- Collect a groundwater quality sample from each well at the end of the aquifer test and submit the samples to Edge Analytical Laboratories in Wilsonville, Oregon, for analysis of Safe Drinking Water Act (SDWA) parameters.
- Reinstall the pumping systems (assuming the wells and pumps are in good condition) and disinfect the wells.

Task 2 Assumptions

- Existing pumping systems will be re-installed in the wells.
- All well videos will be conducted on the same day (i.e., first, pumps will be removed first from the wells, then, videos will be conducted).
- Costs for repair and/or replacement of pumps, motors, column pipe and related equipment are not included in this scope of work or fee estimate, nor are minor modifications to the wells.
- Schneider Water Services will be subcontracted to GSI. SWS costs will be billed on a time-and-materials basis. For example, the wells that are tested as a part of Task 2 are contingent on the results of Task 1. Task 2 activities would be conducted at a given well only after receiving a favorable review from OHA's plan review process (specifically that the wells are completed in a confined aquifer) and an indication that adjacent property owners would be amenable to a perpetual restrictive easement (or that a technical justification can be made to reduce the 100-foot setback requirement and is approved by OHA).
- City will be responsible for approaching the neighboring landowners and inquiring about access and/or easement arrangements, if necessary.
- Our fee estimate does not include costs for cleaning, redeveloping, and/or reconditioning the wells.

Task 2 Deliverables

- Recommendations for repairing or replacing pumping systems (e.g., pump, motor, pump column, check valve) by email, if needed.
- Recommendations for cleaning, redeveloping, and/or reconditioning the wells, by email, if needed.

Task 3 – Reporting and Strategy Development

Task 3 is for GSI to develop a report that outlines a strategy for developing groundwater sources under the water rights previously held by Fisher Farms. The strategy is anticipated to include the following elements:

- Identification of fatal flaws for using any of the existing wells from the perspectives of ability to meet OHA requirements and/or poor well condition.
- A summary of the actions and planning-level costs required to develop each well as a source of municipal supply (i.e., the need for new pumps or upgrades to existing pumps, well retrofits based on the well video assessments, or water treatment requirements based on water quality sampling).
- An estimate of long-term (e.g., 60 day) capacity of the wells based on the aquifer test data, including an analysis of drawdown interference between the wells that would be caused by simultaneous operation of existing and future wells.
- A conceptual well design and planning-level cost estimate for a new municipal production well at the Fisher Farms property.

Task 3 Assumptions

- City comments on the report can be incorporated over a single review cycle.

Task 3 Deliverables

- Draft Strategy Development Technical Memorandum for review by the City.
- Final Strategy Development Technical Memorandum.

Schedule

GSI understands that this work is scheduled to commence in 2026. GSI recommends that the City evaluate the feasibility of obtaining a perpetually restrictive easement for Well 2 as soon as practicable, before the new fiscal year if possible. GSI anticipates completing the OHA Initial Plan Review within three months of receiving authorization from the City and anticipates that OHA will approve or deny the plan review 60 days after submittal (i.e., Task 1 will be about 5 months in duration). The results of Task 1 will be used to customize the well evaluation program in Task 2, which GSI anticipates will occur over a 3 month period. A draft Strategy Development TM will be submitted to the City one month after the conclusion of Task 2. Therefore, the total project duration is anticipated to be about 7 months, beginning on July 1.

Fee Estimate

GSI's proposed fee to complete the tasks on a time-and-materials not-to-exceed basis is **\$174,910**, assuming all four wells are tested. This budget will not be exceeded without prior authorization and includes a 10 percent markup on subcontracted services and reimbursable expenses. This work will be performed in accordance with GSI's 2025 rate schedule (attached).

Tasks	Labor Hours	Labor Cost	Outside Services	Direct Expenses	Total
Task 1 – Initial OHA Plan Review	81	\$11,580	\$0	\$49	\$11,629
Task 2 – Well Evaluation and Testing	120	\$19,290	\$116,292	\$294	\$135,876
Task 3 – Reporting and Strategy Development	177	\$27,405	\$0	\$0	\$27,405
Project Totals (All Wells Tested Scenario)	378	\$58,275	\$116,292	\$343	\$174,910

Closing

We thank you for your consideration of this proposal and look forward to working with you in the future. This scope of work and fee estimate is valid for 60 days.

Sincerely,
GSI Water Solutions, Inc.



Matt Kohlbecker, RG
President and Principal Hydrogeologist