### AGREEMENT TO PROVIDE PROFESSIONAL ENGINEERING AND RELATED ENVIRONMENTAL SUPPORT SERVICES

THIS AGREEMENT is made and entered into effective as of the 21stday of December, 2006 by and between the CITY OF FRESNO, a municipal corporation (hereinafter referred to as "CITY"), and ERM REMEDIATION & CONSTRUCTION MANAGEMENT WEST, INC., an Arizona corporation (hereinafter referred to as "CONSULTANT").

#### RECITALS

WHEREAS, CITY on behalf of itself, the Boeing Company (hereinafter "Boeing") and the United States Army Corps of Engineers (hereinafter "USACE"), desires to obtain professional engineering services and related environmental support services for the project tasks set forth in the document entitled "Schedule and Cost Estimates for 2007 and 2008, Old Hammer Field, Fresno, California" dated 20 December 2006, which is marked Exhibit "A" to this Agreement, attached hereto and incorporated as if fully set forth herein, as contemplated in Amendment Eight to the Old Hammer Field Potentially Responsible Party Cost Sharing Agreement, hereinafter referred to as the "Project," and desires the services of CONSULTANT to provide the services described herein; and

WHEREAS, CONSULTANT is engaged in the business of furnishing technical and expert services as a consulting engineer and hereby represents that it is professionally capable of performing, and is licensed to perform, the services called for by this Agreement.

#### AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and of the covenants, conditions, and promises hereinafter contained, to be kept and performed by the respective parties, it is mutually agreed as follows:

1. Scope of Work. Subject to the conditions stated in this Section and Section 2 of this Agreement, CONSULTANT shall perform to the satisfaction of CITY, those portions of the services described in "Schedule and Cost Estimates for 2007 and 2008, Old Hammer Field, Fresno, California" dated 20 December 2006, as Exhibit "A" attached hereto and incorporated herein by reference, consisting of so much of the following Task Descriptions: "Source Area," "Toe-of-Plume," "Site Monitoring," and the "Other Site Activities" as may be accomplished until total funds expended on the work described in Exhibit "A" equals \$353,846.

#### 2. Compensation.

 a. CONSULTANT'S sole compensation for satisfactory performance of all services required or rendered pursuant to this Agreement shall be a total fee not to exceed \$353,846.

- b. Statements may be rendered monthly for all tasks other than the "Well 70 O&M" portion of "Other Site Activities" and shall be payable by the CITY within the normal course of CITY business.
- c. The parties may modify this Agreement to increase the scope of work or provide for the rendition of services not required by this Agreement, which modification shall include an agreed upon increase in CONSULTANT'S compensation. Any increase or change in the scope of work must be made by written amendment to the Agreement signed by an authorized representative for each party. CONSULTANT shall not be entitled to any additional compensation if work is performed prior to a signed written amendment.
- d. CONSULTANT is aware that \$230,000 of its total compensation under this Agreement is to be provided to the CITY by USACE and \$63,692 of its total compensation under this Agreement is to be provided to the CITY by Boeing. The CITY shall not be obligated to compensate CONSULTANT beyond the CITY share totaling \$60,154 until the CITY has received the respective payments from USACE and Boeing each meeting its respective share for payment of the CONSULTANT invoices.

#### 3. Termination of Agreement.

- a. This Agreement may be terminated by CITY, at its discretion and for any reason, including but not limited to, lack of funding for the Project.
- b. This Agreement may be terminated immediately by either party upon seven (7) calendar days prior written notice should the other party fail substantially to observe, fulfill or perform any obligation, covenant, term or condition in accordance with this Agreement through no fault of the other. A party will have failed substantially to observe, fulfill or perform any obligation, covenant, term or condition of this Agreement, if such failure is not cured within such seven (7) calendar days prior written notice and this shall constitute a material default and breach of this Agreement.
- c. In the event of termination, due to fault not attributable to CONSULTANT, CONSULTANT shall be paid compensation for services satisfactorily performed prior to the effective date of the notice of termination. In no event shall such payment when added to any other payment due under the applicable part of the work exceed the total compensation as specified in Section 2 of this Agreement. In the event of termination due to failure of CONSULTANT or any of its employees to substantially perform in accordance with the terms of this Agreement, CITY may withhold an amount that would otherwise be payable as an offset to, but not in excess of, CITY'S damages caused by such failure.
- d. In the event CITY terminates the Agreement, CITY may exercise any right, remedy (in law or equity), or privilege which may be available to it under applicable laws of the State of California or any other applicable law, or proceed by

appropriate court action to enforce the terms of this Agreement, or to recover direct, indirect, consequential or incidental damages for the breach of the Agreement. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

- 4. <u>Time of Performance</u>. Time of performance is of the essence in this Agreement. The services of CONSULTANT as described in this Agreement are to commence upon issuance of a "Notice to Proceed." Work shall be undertaken and completed in a sequence as set forth in Exhibit "A" including a reasonable time period to allow for Boeing, USACE and CITY review of all CONSULTANT documents.
- 5. <u>Force Majeure</u>. The CONSULTANT and CITY shall perform their obligations unless performance is delayed by an event or occurrence that constitutes a "Force Majeure."

For purposes of this Agreement, a "Force Majeure" is an event or occurrence, which delays or prevents performance of obligations, that is beyond the control of the respective party. CONSULTANT shall provide written notification to the CITY within forty-eight (48) hours of the occurrence of a Force Majeure event. The notice shall include a description of the event and the estimated time of the delay. CONSULTANT shall undertake all reasonable efforts to avoid Force Majeure delays and/or minimize the length of the delay. Force Majeure events may include without limitation: Acts of God, war, revolution, riots, strikes, fires, or floods.

Force Majeure events shall not include increased cost of performance or normal business or other events.

#### 6. Confidential Information and Ownership of Documents.

- a. Any reports, information, or other data prepared or assembled by CONSULTANT pursuant to this Agreement shall not be made available to any individual or organization by CONSULTANT without the prior written approval of CITY. During the term of this Agreement, and thereafter for one (1) year, CONSULTANT shall not, without the prior written consent of the CITY, disclose to anyone any Confidential Information. The term Confidential Information for the purposes of this Agreement shall include all proprietary and confidential information of the CITY, including but not limited to business plans, marketing plans, financial information, designs, drawings, specifications, materials, compilations, documents, instruments, models, source or object codes and other information disclosed or submitted, orally, in writing, or by any other medium or media. All Confidential Information shall be and remain confidential and proprietary in the CITY.
- b. Any and all writings and documents prepared or provided by CONSULTANT pursuant to this Agreement are the property of CITY and shall be turned over to CITY upon expiration or termination of the Agreement. CONSULTANT shall not permit the reproduction or use thereof by any other person except as otherwise

expressly provided herein.

- 7. Professional Skill. It is further mutually understood and agreed by and between the parties hereto that inasmuch as CONSULTANT represents to CITY that CONSULTANT is skilled in the profession and shall perform in accordance with the standards of said profession necessary to perform the work agreed to be done by it under this Agreement, CITY relies upon the skill of CONSULTANT to do and perform its work in a skillful manner and CONSULTANT agrees to thus perform its work, therefore acceptance of its work by CITY shall not operate as a release of CONSULTANT from said standard of care and workmanship.
- 8. Indemnification. Except with regard to professional negligent errors and omissions, as provided in the paragraph below, CONSULTANT shall indemnify, hold harmless and defend CITY and each of its officers, officials, employees, agents and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by CITY, CONSULTANT or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising or alleged to have arisen directly or indirectly out of performance of this Agreement. CONSULTANT'S obligations under the preceding sentence shall apply regardless of whether CITY or any of its officers, officials, employees, agents or volunteers are passively negligent, but shall not apply to any loss, liability, fines, penalties, forfeitures, costs or damages caused by the active negligence or willful misconduct of CITY or any of its officers, officials, employees, agents or volunteers.

Specifically regarding professional negligent errors and omissions, CONSULTANT shall indemnify, hold harmless and defend CITY and each of its officers, officials, employees, agents and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by CITY, CONSULTANT or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), to the proportionate extent that it arises out of or in connection with the professional negligent errors or omissions of CONSULTANT in the performance of this Agreement.

If CONSULTANT should subcontract all or any portion of the work to be performed under this Agreement, CONSULTANT shall require each subcontractor to indemnify, hold harmless and defend CITY and each of its officers, officials, employees, agents and volunteers in accordance with the terms of the preceding paragraphs.

This section shall survive termination or expiration of this Agreement.

9. Insurance. Throughout the life of this Agreement, CONSULTANT shall pay for and maintain in full force and effect all policies of insurance required hereunder with an insurance company(ies) either (I) admitted by the California Insurance Commissioner to

do business in the State of California and rated not less than "A- VII" in Best's Insurance Rating Guide, or (ii) authorized by CITY'S Risk Manager. The following policies of insurance are required:

- (I) COMMERCIAL GENERAL LIABILITY insurance which shall include contractual, products and completed operations coverages, bodily injury and property damage liability insurance with combined single limits of not less than \$10,000,000 per occurrence.
- (ii) COMMERCIAL AUTOMOBILE LIABILITY insurance, endorsed for "any auto" with combined single limits of liability of not less than \$1,000,000 per occurrence.
- (iii) PROFESSIONAL LIABILITY insurance (Errors and Omissions) with a limit of liability of not less than \$5,000,000 per occurrence.
- (IV) WORKERS' COMPENSATION insurance as required under the California Labor Code.

The above described policies of insurance shall be endorsed to provide an unrestricted thirty (30) day written notice in favor of CITY, of policy cancellation, change or reduction of coverage, except for the Workers' Compensation policy which shall provide a ten (10) day written notice of such cancellation, change or reduction of coverage. In the event any policies are due to expire during the term of this Agreement, CONSULTANT shall provide a new certificate evidencing renewal of such policy not less than fifteen (15) days prior to the expiration date of the expiring policy(les). Upon issuance by the insurer, broker, or agent of a notice of cancellation, change or reduction in coverage, CONSULTANT shall file with CITY a certified copy of the new or renewal policy and certificates for such policy.

The General Liability and Automobile Liability insurance policies shall be written on an occurrence form and shall name CITY, its officers, officials, agents, employees and volunteers as an additional insured. Such policy(ies) of insurance shall be endorsed so CONSULTANT'S insurance shall be primary and no contribution shall be required of CITY. In the event claims made forms are used for any Professional Liability coverage, either (I) the policy(ies) shall be endorsed to provide not less than a five (5) year discovery period, or (ii) the coverage shall be maintained for a minimum of five (5) years following the termination of this Agreement and the requirements of this section relating to such coverage shall survive termination or expiration of this Agreement. CONSULTANT shall furnish CITY with the certificate(s) and applicable endorsements for ALL required insurance prior to CITY'S execution of the Agreement. CONSULTANT shall furnish CITY with copies of the actual policies upon the request of CITY'S Risk Manager at any time during the life of the Agreement or any extension.

If at any time during the life of the Agreement or any extension, CONSULTANT fails to maintain the required insurance in full force and effect, all work under this Agreement shall be discontinued immediately, and all payments due or that become

due to CONSULTANT shall be withheld until notice is received by CITY that the required insurance has been restored to full force and effect and that the premiums therefore have been paid for a period satisfactory to CITY. Any failure to maintain the required insurance shall be sufficient cause for CITY to terminate this Agreement.

If CONSULTANT should subcontract all or any portion of the work to be performed under this Agreement, CONSULTANT shall require each subcontractor to provide insurance protection in favor of CITY, its officers, officials, employees, agents and volunteers in accordance with the terms of each of the preceding paragraphs, except that the subcontractors' certificates and endorsements shall be on file with CONSULTANT and CITY prior to the commencement of any work by the subcontractor.

#### 10. General Terms.

- a. In performing the work or services to be provided hereunder, CONSULTANT shall not employ or retain the services of any person while such person either is employed by CITY or is a member of any CITY commission, board, committee, or similar CITY body. This requirement may be waived by the CITY'S Chief Administrative Officer if no actual or potential conflict is involved.
- b. Records of CONSULTANT'S expenses pertaining to the Project shall be kept on a generally recognized accounting basis and shall be available to CITY or its authorized representatives upon request during regular business hours throughout the life of this Agreement and for a period of three years after final payment. In addition, all books, documents, papers, and records of CONSULTANT pertaining to the Project shall be available for the purpose of making audits, examinations, excerpts, and transcriptions for the same period of time. This Section 10.b. shall survive expiration or termination of this Agreement.
- c. Any amendments to this Agreement shall be in writing executed by both parties. This Agreement shall not be modified or amended or any rights of a party waived except by such a writing.

#### 11. Conflict of Interest and Non-Solicitation.

- a. Prior to CITY'S execution of this Agreement, CONSULTANT shall complete a CITY of Fresno conflict of interest disclosure statement. Said statement is attached hereto as Exhibit "B", and incorporated herein by reference. During the term of this Agreement, CONSULTANT shall have the obligation and duty to immediately notify CITY in writing of any change to the information provided by CONSULTANT on Exhibit "B."
- b. CONSULTANT shall comply with the requirements of the California Political Reform Act (Government Code Section 87100 et seq.) and the regulations of the Fair Political Practices Commission concerning disclosure and disqualification (2 California Code of Regulations Section 18700 et seq.).

- c. CONSULTANT represents and warrants that it has not paid or agreed to pay any compensation, contingent or otherwise, to solicit or procure this Agreement or any rights/benefits hereunder.
- 12. <u>Nondiscrimination</u>. CONSULTANT shall not employ discriminatory practices in the provision of services, employment of personnel, or in any other respect on the basis of race, color, creed, religion, sex, national origin, ancestry, ethnicity, age, marital status, status as a disabled veteran or veteran of the Vietnam era, medical condition, or physical or mental disability. During the performance of this Agreement, CONSULTANT agrees as follows:
- a. CONSULTANT will comply with all laws and regulations, as applicable. No person in the United States shall, on the grounds of race, color, creed, religion, sex, national origin, ancestry, ethnicity, age, marital status, status as a disabled veteran or veteran of the Vietnam era, medical condition, or physical or mental disability be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity made possible by or resulting from this Agreement
- b. CONSULTANT will not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, national origin, ancestry, ethnicity, age, marital status, status as a disabled veteran or veteran of the Vietnam era, medical condition, or physical or mental disability. CONSULTANT shall take affirmative action to ensure that applicants are employed, and the employees are treated during employment, without regard to their race, color, creed, religion, sex, national origin, ancestry, ethnicity, age, marital status, status as a disabled veteran or veteran of the Vietnam era, medical condition, or physical or mental disability. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. CONSULTANT agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provision of this nondiscrimination clause.
- c. CONSULTANT will, in all solicitations or advertisements for employees placed by or on behalf of CONSULTANT, state that all qualified applicants will receive consideration for employment without regard to race, color, creed, religion, sex, national origin, ancestry, ethnicity, age, marital status, status as a disabled veteran or veteran of the Vietnam era, medical condition, or physical or mental disability.
- d. CONSULTANT will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice advising such labor union or workers' representatives of CONSULTANT'S commitment under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

#### 13. Independent Contractor and Not a Partnership/Joint Venture.

- a. In the furnishing of the services provided for herein, CONSULTANT is acting as an independent contractor. Neither CONSULTANT, nor any of its officers, associates, agents or employees shall be deemed an employee, partner or agent of CITY for any purpose. However, CITY shall retain the right to verify that CONSULTANT is performing its respective obligations in accordance with the terms hereof.
- b. This Agreement does not evidence a partnership or joint venture between CONSULTANT and CITY. CONSULTANT shall have no authority to bind the CITY absent CITY'S express written consent. Except to the extent otherwise provided in this Agreement, CONSULTANT shall bear its own costs/expenses in pursuit hereof.
- 14. <u>Notices</u>. Any notice required or intended to be given to either party under the terms of this Agreement shall be in writing and shall be deemed to be duly given if delivered personally or deposited into the United States mail, with postage prepaid, addressed to the party to which notice is to be given at the party's address set forth on the signature page of this Agreement or at such other address as the parties may from time to time designate by written notice.
- 15. <u>Binding</u>. Once this Agreement is signed by all parties, it shall be binding upon, and shall inure to the benefit of, all parties, and each party's respective heirs, successors, assigns, transferees, agents, servants, employees and representatives.

#### 16. Assignment.

- a. This Agreement is personal to CONSULTANT and there shall be no assignment by CONSULTANT of its rights or obligations under this Agreement without the prior written approval of CITY. Any attempted assignment by CONSULTANT, its successors or assigns, shall be null and void unless approved in writing by CITY.
- b. CONSULTANT hereby agrees not to assign the payment of any monies due CONSULTANT from CITY under the terms of this Agreement to any other individual(s), corporation(s) or entity(ies). CITY retains the right to pay any and all monies due CONSULTANT directly to CONSULTANT.
- 17. Compliance with Law. In providing the services required under this Agreement, CONSULTANT shall at all times comply with all applicable laws of the United States, the State of California and CITY, and with all applicable regulations promulgated by federal, state, regional, or local administrative and regulatory agencies, now in force and as they may be enacted, issued, or amended during the term of this Agreement.
- 18. <u>Waiver</u>. The waiver by either party of a breach by the other of any provision of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of either the same or a different provision of this Agreement.

No provisions of this Agreement may be waived unless in writing and signed by all parties to this Agreement. Waiver of any one provision herein shall not be deemed to be a waiver of any other provision herein.

- 19. Governing Law and Venue. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California. Venue for purposes of the filing of any action regarding the enforcement or interpretation of this Agreement and any rights and duties hereunder shall be Fresno County, California.
- 20. <u>Headings</u>. The section headings in this Agreement are for convenience and reference only and shall not be construed or held in any way to explain, modify or add to the interpretation or meaning of the provisions of this Agreement.
- 21. <u>Severability</u>. The provisions of this Agreement are severable. The invalidity, or unenforceability of any one provision in this Agreement shall not affect the other provisions.
- 22. Interpretation. The parties acknowledge that this Agreement in its final form is the result of the combined efforts of the parties and that, should any provision of this Agreement be found to be ambiguous in any way, such ambiguity shall not be resolved by construing this Agreement in favor or against any party, but rather by construing the terms in accordance with their generally accepted meaning.
- 23. Attorney's Fee. If either party is required to commence any proceeding or legal action to enforce or interpret any term, covenant or condition of this Agreement, the prevailing party in such proceeding or action shall be entitled to recover from the other party its reasonable attorney's fees and legal expenses.
- 24. <u>Precedence of Documents</u>. In the event of any conflict between the body of this Agreement and any Exhibit or Attachment hereto, the terms and conditions of the body of this Agreement shall control and take precedence over the terms and conditions expressed within the Exhibit or Attachment. Furthermore, any terms or conditions contained within any Exhibit or Attachment hereto which purport to modify the allocation of risk between the parties, provided for within the body of this Agreement, shall be null and void.
- 25. Extent of Agreement. Each party acknowledges that they have read and fully understand the contents of this Agreement. This Agreement represents the entire and integrated agreement between the parties with respect to the subject matter hereof and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be modified only by written instrument duly authorized and executed by both CITY and CONSULTANT.

IN WITNESS WHEREOF, the parties have executed this Agreement at Fresno, California, as of the day and year first above written.

CITY OF FRESNO a municipal corporation

A. Ramirez

Director of Public Utilities

City of Fresno

CONSTRUCTION MANAGEMENT WEST/ING. /an Arizona corporation

Mark E. Ransom, P.E.

ATTEST:

REBECCA E. KLISCH CITY Clerk

Deputy

APPROVED AS TO FORM

istant City Attorney

Fresno City Attorney's Office

Addresses:

CITY:

City of Fresno

Attention: Patrick William Rene A. Ramirez 1777 Botelho Drive, Suite 260

Director of Public Utilities

2600 Fresno St.

Fresno, CA 93721-1525

Phone:

(559) 621-8616

CONSULTANT:

Attention: Mark Ransom

Walnut Creek, CA 94596-5042

Phone: (925) 946-0455

FAX: (925) 946-9968

#### Attachments:

- 1. Exhibit "A" Schedule and Cost Estimates for 2007 and 2008, Old Hammer Field, Fresno, California
- 2. Exhibit "B" Conflict of Interest Form

EXHIBIT "A"
Schedule and Cost Estimates for 2007 and 2008
Old Hammer Field, Fresno, California
20 December 2006

# SCHEDULE AND COST ESTIMATES FOR 2007 AND 2008 OLD HAMMER FIELD, FRESNO, CALIFORNIA

		FOLES	FOIENIAL SCHEDULE OF SITE ACTIVITIES	HEDOL	についつに	EACIT	VIIIES				
		7007	20		-	2008	99		Estimated	Estimated	ESTIMATED
MAJOR SCOPE ITEMS	10	202	30	40	10	02	30	10	2007 Costs	2008 Costs	TOTALCOSTS
SOURCEAREA											
SVE System OM&M (1)				1000 PM	A PARTY OF THE PAR				593,400	565,200	\$158,600
Chemical Injections									571,500	CD2.72	5143,000
Performance Mountoring	r								005,648	539,5UI)	579,000
TOE-OF-PLUME											
Additional Characterization (2)				-					いってったいろ		\$240,400
Design Document									S45,100		845,100
System Construction (3)		The second second							51,788,200	\$198,700	51,986,900
Capture Analysis									\$20,000	S45,500	\$65,500
System OM&M (4)										8209,400	SZ09,400
SITE MONITORING											
Contingency Plan Monitoring									\$14,900	\$14,900	529,800
Ground Water Monitoring (5)							1.00		\$95,100	\$95,100	\$190,200
OTHER SITE ACTIVITIES											
Well 70 O&M (6)							STATE OF		S111,300	5111,300	\$222,600
Project Management (7)			AC AN						582,900	549,700	\$132,600
					ESTIM	ESTIMATED TOTAL COSTS =	OTALC	SUSO:	\$2,802,300	\$900,800	83,703,100

## KEY NOTES AND ASSUMPTIONS:

- . It should be noted that the estimates presented above are engineers estimates and contains inherant uncertainties. Subcontractor costs (Arillers and construction contractors) are anticipated to be significant portions of the total costs for 2007 and 2008. These services will be bid competitively to ensure the best value for the Committee.
  - A detailed schedule of sile activities is presented on the attached Cantt chart, with similar color coding of tasks as shown above.
- (2) The State has not approved the proposed scope for the additional offsite investigation. The cost estimate for investigation was developed based on informal (1) - ERM anticipates that the SVE system will likely achieve remedial objectives within 2008, earlier than originally estimated, hence the reduced costs for 2006. discussions with the RWQCB. We will negotiate with the State to minimize scope (only what is needed to provide a design basis for the extraction system).
  - (3) To address the uncertainties associated with the extraction and treatment system, ERM developed preliminary cost estimates for three options: A - Extraction wells at toe-of-plume, new treatment system at Well 70 compound, discharge to Mill Ditch via NPDES permit
- B Extraction wells at toc-of-plume, new treatment system at new location, discharge to Mill Dilch via NPDES permit
  - C- Extraction wells at toe-of-plume, new treatment system at new location, reinjection of treated water
- The cost estimates and implementation for options B and C assume that suitable City property is available for system citing (an land purchase required). Land acquisition, if required, will extend the schedule. The construction estimate shown in the table is the average of the three options, with -90% of the The preliminary construction estimates for all three options are similar (\$1,925,400 for A, \$1,943,200 for B, and \$2,092,00 for C). costs projected for 2007 and the remainder in 2008.
- however, ERM anticipates that the toc-of-plume treatment duration will likely be shorter than the ~50 years originally estimated, due to the low concentrations The OM&M estimate shown in the table is the average of the three options. A total duration for the OM&M program has not been estimated at this time, (4) - The annual OM&M costs for options A and B are likely similar (\$215,000), while the annual OM&M costs for option C is slightly less (\$196,200). observed to date (i.e., small residual mass).
  - (5) The ground water monitoring costs incorporates the potential new wells and recently approved reductions.

    - (6) Well 70 O&M tasks are performed by the City of Fresno's Water Division staff.(7) Project management efforts for 2008 will likely reduce to approximately 60% of 2007 levels.

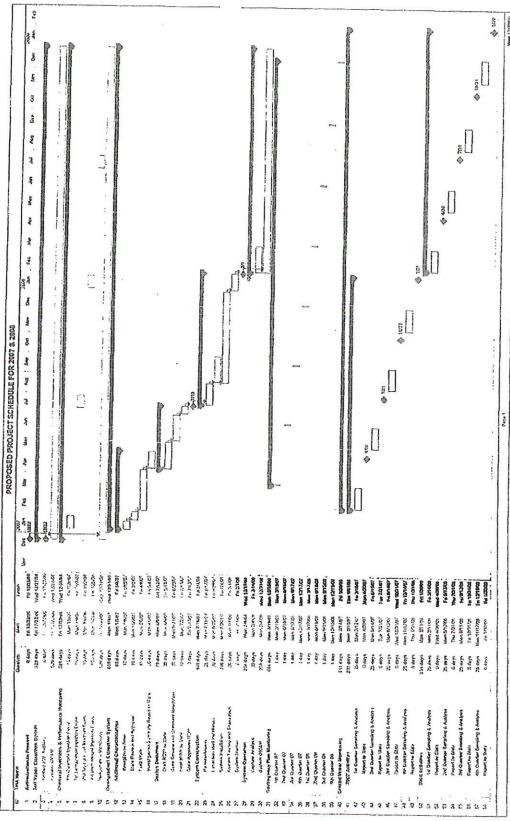


EXHIBIT A

EXHIBIT "B"
Conflict of Interest Form

#### Exhibit "B" **DISCLOSURE OF CONFLICT OF INTEREST**

#### **ENVIRONMENTAL SUPPORT SERVICES** OLD HAMMER FIELD PROJECT TITLE

artino filitario		YE	S* NO
			110
1	Are you currently in litigation with the City of Fresno its agents?	or any of	1
2	Do you represent any firm, organization or person litigation with the City of Fresno?	who is in	V
3	Do you currently represent or perform work for a who do business with the City of Fresno?	ny clients	V
4	Are you or any of your principals, managers or profouncers or investors in a business which does busined City of Fresno, or in a business which is in litigithe City of Fresno?	iness with	
5	Are you or any of your principals, managers or professionals, related by blood or marriage to any City of Fresno employee who has any significant role in the subject matter of this service?		
* If	the answer to any question is yes, please explain in the	si below.	
Expl	lanation: Signature	HAKE. &	prisory
	(name)	M-465,	Tol.
	(company	77 BOTECH	o D. t
A	dditional page(s) attached.  (address)  WA  (city state	NY COSAL,	CA 945

IN WITNESS WHEREOF, the Parties authorized agents have executed this Amendment No. 1 to Agreement at Fresno, California, the day and year first above written.

CITY OF FRESNO, a California municipal corporation	ERM WEST, An Arizona corporation
By: Russell C. Widmar, AAE, Director of Aviation  ATTEST: REBECCA E. KLISCH City Clerk  By: Aberra A-Baderbocker Deputy 2/4/11  APPROVED AS TO FORM: JAMES C. SANCHEZ City Attorney  By: Senior Deputy/Deputy Date	Name:
Addresses:	
CITY: City of Fresno Attention: Russell C. Widmar 4995 East Clinton Way Fresno, CA 93727 Phone: (559) 621-4600 FAX: (559) 498-5549	CONSULTANT: ERM WEST Attention: Truong Mai, PE Partner 2875 Michelle Drive, Suite 200 Irvine, CA 92606 Phone: 949-623-4700

FAX: 949-623-4711

### EXHIBIT A PROPOSED 2011 TASKS REMEDIAL ACTIONS IMPLEMENTATION AND SITE MONITORING OLD HAMMER FIELD, FRESNO, CALIFORNIA

TASK	DESCRIPTION	BUDGET
SOURCE AREA		
SVE System Decommissioning	- Prepare closure work plan (use remaining budget from 2010). Schedule field work for 2012 to overlap with the Airport's hangar apron replacement project. No additional budget requests for 2011.	\$0
TOE-OF-PLUME		
System O&M	<ul> <li>Operate and maintain the toe-of-plume ground water extraction and treatment system.</li> <li>Conduct monthly water sampling.</li> <li>Optimize system operation as needed.</li> <li>Monitor system performance in accordance with WDRs (RWQCB, 2008) and approved RDIP (ERM, 2007).</li> <li>Request reductions for several WDR monitoring requirements (general chemistry analysis).</li> </ul>	\$149,033
BITE MONITORING		
Water Supply Contingency Plan Monitoring	- Monitor supply wells in accordance with the approved Water Supply Contingency Plan (ERM, 2006).	\$10,923
Ground Water Monitoring	<ul> <li>Conduct quarterly ground water monitoring in accordance with the approved monitoring plan (assumes approval of plan in 2009 annual report).</li> <li>Prepare quarterly progress reports.</li> </ul>	\$85,965
OTHER SITE ACTIVITIES		
Project Management	- Provide project management, including regulatory interactions, client communications, cost and schedule management, and invoicing.	\$21,078
Potential Capture Analysis/Modeling	<ul> <li>This task may or may not be required. Its necessity and scope of work depend on the results from the new monitoring well network and DTSC/RWQCB requirements.</li> <li>Budget amount listed is only a placeholder, in the event such efforts are required.</li> </ul>	\$100,000
Potential Additional Investigation or TOP System Expansion	- This task may or may not be required. Its necessity and scope of work depend on the results from the new monitoring well network and DTSC/RWQCB requirements.	To be determined
	Total Requested Budget	\$366,999

#### Note:

Incorporated comments from:

- Boeing;
- City of Fresno; and
- US Government