

CONSULTING SERVICES AGREEMENT

This Consulting Services Agreement is between **INDOOR ENVIRONMENT GROUP, INC.**, a Minnesota Corporation (the “**Consultant**”) and **CITY OF SCANDIA** (the “**Client**”).

BASIC AND ADDITIONAL SERVICES. The scope of Consultant's work is described in detail in the attached proposal and may not be modified except by mutual agreement in writing.

Generally, the Consultant shall perform the following services:

Air Quality Monitoring Services for Zavoral Mine Site

1. Air Quality Monitoring at five (5) locations
2. Exposure monitoring at one (1) location on the mine site
3. Monthly dust control activities review
4. Provide monitoring reports at completion of each activity

As full compensation for the Services rendered under this agreement, the Client shall pay the Consultant according to the following schedule:

- | | | |
|----|--|------------|
| A. | Air Quality Monitoring (single session): | \$6,925.00 |
| B. | Dust control site review (per session): | \$825.00 |
| | - Up to a maximum of \$5,400.00 per year | |

No additional services will be performed without written authorization from the Client. Additional services would be billed on an hourly basis according to our current fee schedule.

Further, both parties agree as follows:

1. **SCHEDULING.** Client shall furnish a signed copy of the proposal, a written purchase order and/or a formal request for services and shall give as much notice as possible before the services are desired. Consultant's ability to respond to such an order will depend upon the amount of advance notice provided.
2. **SUBCONTRACTING.** If requested by Client to hire and/or administer a subcontractor, Consultant will do so but, in such an instance, Client covenants not to sue or demand arbitration of Consultant for claims based upon the acts or omissions of Consultant's subcontractors but will instead either (1) sue Consultant's subcontractors directly or (2) sue Consultant's subcontractors indirectly by actions brought in Consultant's name at Client's expense; and Client's recovery for these claims will be limited to the recovery awarded in these direct or indirect actions. Consultant will allow Client to indirectly pursue Consultant's subcontractors in Consultant's name and will cooperate with Client's prosecution of these actions.
3. **HAZARDOUS MATERIALS.** Unless agreed in the written scope of work, Consultant has no responsibility for the discovery, presence, handling, removal, or disposal of or exposure of persons to hazardous materials at the project site except those materials specifically identified in the scope of work. To the full extent permitted by the law, Client shall defend and indemnify Consultant and its employees from all claims, including costs and attorney fees, arising out of the presence of hazardous materials on the job site.
4. **CLIENT'S RESPONSIBILITIES.** Client shall fully disclose to Consultant all information about the requirements for the project and known existing physical conditions, including but not limited to Client's knowledge of the condition of any existing facility involved in the project and its past and

present contents; if necessary, shall assist Consultant in the coordination of site; shall designate an individual to act on Client's behalf regarding the project; if necessary, shall clean and make any existing structure safe for entry; shall furnish the services of other consultants (including engineers, insurance consultants, accountants, attorneys, etc.) when those services are required or are reasonably requested by Consultant; shall test for pollution and hazardous materials when required by law or requested by Consultant; and shall provide all necessary permits and other authorization. Consultant may rely upon any information provided by Client.

5. **CONSULTANT'S FEE.** Client will pay Consultant according to the price or fee schedule in Consultant's proposal. If Consultant's services are extended or delayed for reasons beyond Consultant's control, then the fee will be equitably adjusted based upon Consultant's then-current fee schedule.
6. **PAYMENT.** Consultant will submit itemized monthly or other periodic statements for work performed. Client shall make payment within 30 days after receiving each statement. If Client questions or disputes any of the charges on a statement, Client shall pay all undisputed charges within the 30 days and promptly notify Consultant of the reason for non-payment. Client shall pay any remaining amounts due promptly upon resolution of the question or dispute.
7. **REUSE OF CONSULTANT'S REPORTS, PLANS, SPECIFICATIONS, AND OTHER DOCUMENTS:** All reports, plans, specifications, and other documents furnished by Consultant are instruments of Consultant's services for use solely for the project, and Consultant retains all ownership and property rights in them regardless whether the project is completed. Client may retain copies for reference in connection with the use and occupancy of the project; but Consultant does not represent that the documents are suitable for reuse on extension of the project or on other projects. Client and others shall not use the documents on other projects or extensions of this project except by Consultant's written agreement.
8. **SUSPENSION OF WORK.** Consultant may suspend work upon not less than three days' written notice to Client if Client does not make timely payment to Consultant within 60 days after being invoiced, does not provide the necessary criteria or information, or does not substantially perform any of its other duties under this agreement.
9. **TERMINATION FOR CAUSE.** This AGREEMENT may be terminated for cause by either party upon not less than seven days' written notice if the other party fails to substantially perform in accordance with the terms of this AGREEMENT through no fault of the party initiating the termination.
10. **TERMINATION FOR CONVENIENCE.** Client may terminate this AGREEMENT in whole or in part for its own convenience upon not less than seven days' written notice to Consultant.
11. **TERMINATION EXPENSES.** If the termination is for convenience or is not the fault of Consultant, or if Client abandons the project, Consultant shall be compensated for costs incurred and services performed before the termination or abandonment, plus (1) an additional 20% of Consultant's total compensation earned to date if the termination or abandonment occurs before or during the planning, pre-design, site analysis, or the initial field inspection or assessment stage, (2) an additional 10% of Consultant's total compensation earned to date if the termination or abandonment occurs during the design, implementation, or preliminary report writing stage, or (3) an additional 5% of Consultant's total compensation earned to date if the termination or abandonment occurs during any later stages. The termination expenses are to compensate Consultant for its termination costs and its unrecovered fixed costs, not to penalize Client.
12. **INSURANCE.** Consultant will maintain workers' compensation insurance, comprehensive general liability insurance and professional liability insurance in the amounts required by the Client and will provide Client with a certificate of insurance upon Client's request.

13. ARBITRATION. Any claim for money damages, controversy, or other dispute arising out of or relating to the making or performance or interpretation of this AGREEMENT, or the breach of this AGREEMENT, shall be settled by binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association. The arbitration panel shall consist of three arbitrators, at least one of whom is a certified industrial hygienist with experience in the subject matter of the dispute; and the panel may award only money damages and declaratory relief but shall not award equitable relief. Judgment upon the arbitration award may be entered in any court having jurisdiction 'of the parties. The enforceability of this arbitration provision and arbitration awards will be governed by the Federal Arbitration Act.

14. This contract is governed by the laws of the State of Minnesota.

Each party is signing this agreement on the date stated opposite that party's signature.

Consultant NAME, if not an individual

Date: _____

By: _____

Name: David Gutterud

Title: President

Client NAME

Date: _____

By: _____

Name: _____

Title: _____