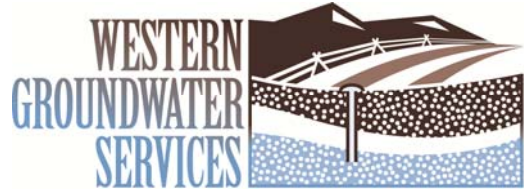


Western Groundwater Services, LLC
6595 Bear Claw Lane
Bozeman, MT 59715
Tel (406) 585-5947



August 26, 2013

Mr. Ron Edwards
General Manager
Big Sky County Water and Sewer District
P.O. Box 160670
Big Sky, MT 59716

RE: GROUNDWATER CONSULTING SERVICES
MEADOW VILLAGE WELL NOS. 4 AND 5
PERFORMANCE TESTS

Dear Ron:

This letter provides a Scope of Work and Fee estimate to run pump and well performance tests in Meadow Village Well Nos. 4 and 5. Both were newly constructed in late 2006. The purpose of testing is to assess if any changes in well capacity have occurred and to evaluate the capacity of new pumping equipment.

SCOPE OF WORK

Task 1 - Coordinate with Pump Contractor

This task coordinates with Potts Drilling regarding as-built construction of the new pumping systems and the layout for testing. Pump testing will use a temporary configuration of the pumps to allow for atmospheric discharge similar to the testing completed at time of construction.

Task 2 – Meadow Village Well No. 4 Step Test

This task provides site work and instruments to run a step rate test and collect data from Meadow Village No. 4. Testing is planned to include up to six 40-minute steps.

Task 3 – Meadow Village Well No. 5 Step Test

This task provides site work and instruments to run a step rate test and collect data from Meadow Village No. 5. Testing is planned to include up to six 40 minute steps.

Task 4 – As-Built Drawings

This task provides annotated as-built drawings detailing the new pumping systems installed in Meadow Village Nos. 4 and 5. One drawing will be prepared for each well.

Task 5 – Data Report

This task provides a report with data plots comparing new data to data collected at time of construction. A discussion will be provided regarding the comparison. The report, as-built drawings, and testing data will be provided in electronic format. Two hardcopies of the report and as-builts will also be provided.

FEE

The Scope of Work for professional services described above can be completed for an estimated fee of \$3,240. Table 1 provides a breakdown of the project fee estimate per each task.

GENERAL TERMS

This project agreement is established with Big Sky County Water and Sewer District, referred to as Client, and Western Groundwater Services, LLC (EIN 26-0029155).

Western Groundwater Services, LLC shall provide services as an independent contractor. Project work shall be completed according to local, state and federal laws and the professional standards for the fields of civil engineering, geophysics, and hydrogeology. Western Groundwater Services, LLC shall maintain insurance policies for auto, general commercial, and professional liabilities, with coverage amounts appropriate for the work completed. Western Groundwater Services, LLC is compliant with the statutory requirements for Worker's Compensation Insurance.

Fees charged to the project will be based on the time and materials required to complete the work using the unit rates of the attached Rate Schedule. If project fees are anticipated to exceed the fee estimate, Client will be contacted for approval prior to when the work occurs.

Usage of technical equipment owned by Western Groundwater Services, LLC will be invoiced based on competitive daily rental rates (e.g., pressure transducers, flow meters, microscopes, etc.). If equipment is damaged as a result of normal use on the project, costs may be added to the project fee for reasonable repairs. Any repair costs that are experienced will be approved by Client before inclusion on a project invoice.

Subcontractors may be used to complete project tasks. Client approval shall be obtained before subcontractor involvement on the project. A 12% administrative fee will be applied directly to subcontractor invoices.

Either Client or Western Groundwater Services, LLC may terminate this agreement at any time with one week written notice. If the project is terminated, a final invoice will be prepared for all unpaid fees accrued up to the date of termination.

Invoices for work completed shall be submitted monthly or at completion of the Scope of Work. Payments are due within 30-days from the date of the invoice. Past due payments shall bear interest at the rate of 15% per year charged from the invoice date.

I appreciate this opportunity to provide you with a proposal for consulting services. When you would like to proceed with the Scope of Work, please sign and return a copy of the proposal to my office. If you have any questions or need additional information, please don't hesitate to give me a call.

Sincerely,

WESTERN GROUNDWATER SERVICES, LLC



Mark Cunnane, PE, PG
Principal

BIG SKY COUNTY WATER AND SEWER DISTRICT

By signing this agreement, Client authorizes Western Groundwater Services, LLC to proceed with completion of the Scope of Work and agrees to pay fees according to the Fee estimate.

Concurrence and Authorization to Proceed (Signature)

Date

Printed Name and Title

TABLE 1
LABOR AND COST BREAKDOWN

	Labor (hours)		TOTAL	Expenses						TOTAL	TOTAL
	Office	Field	LABOR	Supplies ¹	Equipment ²	Computer ³	Travel ⁴	Fee ⁵	Lab ⁶	EXPENSE	PROJECT
Activity	hourly rate: \$ 127	\$ 100									
Task 1 - Coordinate with Pump Installer	2		\$ 254	\$ -		\$ -		\$ -		\$ -	\$ 254
Task 2 - MV4 Step Rate Test	0	8	\$ 800		380		\$ 72			\$ 452	\$ 1,252
Task 3 - MV5 Step Rate Test	0	8	\$ 800		0		\$ 72			\$ 72	\$ 872
Task 4 - As-Built Drawings	2		\$ 254			\$ 50				\$ 50	\$ 304
Task 5 - Testing Report	4		\$ 508	\$ 50		\$ -				\$ 50	\$ 558
TOTAL	8	16	\$ 2,616	\$ 50	\$ 380	\$ 50	\$ 144	\$ -	\$ -	\$ 624	\$ 3,240
¹ Includes office and field supplies invoiced at actual cost.											
² Estimated fees for equipment rental.											
³ Computer charges: \$25/hr for CAD; \$35/hr for GIS; \$40/hr for technical software; \$50/day for laptop computers.											
⁴ Estimated travel costs for meals, lodging and vehicle.											
⁵ Estimated state review fee for permit applications.											
⁶ Estimated fees for shipping and analysis of water quality samples.											