



7950 Castleway Drive Ste160, Indianapolis, IN 46250  
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January 9, 2017

RE: Q14041: Duplex Pump Control Panel

Frakes Engineering is pleased to submit its proposal for project referenced above. Our understanding of the project requirements is based on specifications provided, our knowledge of the industry, and discussions with the design team and will include the services and products described in the attached Scope of Work document.

Frakes Engineering is proposing a fixed price quote per the pricing breakdown included in our proposal for design and development detailed in the attached scope of work. This proposal is valid for 90 days and is subject to our standard terms and conditions.

Frakes Engineering is confident in its ability to successfully implement the project on budget and on schedule because of our experience with the processes, the technologies, our project management methodology, and the strength of our project team. Our qualifications are detailed in this proposal.

We look forward to working with you on a successful project and are ready to start upon your notice to proceed.

Sincerely,

Michael Ruckstuhl  
Project Manager  
Frakes Engineering, Inc.  
(317) 577-3000 ext 260

Cc: Cliff Campbell, PMP

Attachment: Scope of Work

## 1.6 PRICING

Price \$17,486.00

## 2 COMMERCIAL

### 2.1 PAYMENT TERMS AND MILESTONES

Invoices will be submitted on a bimonthly schedule. Unless otherwise expressly stated in Frakes Engineering' acceptance, payment is due thirty (30) days from invoice date. Client agrees to pay a financing charge of one and one half percent (1 1/2%) per month, on past due accounts, excepting any portion of the invoiced amount in dispute and resolved in favor of the Client. Payment of invoices is in no case subject to unilateral discounting or set-offs by Client. If Client fails to pay undisputed invoiced amounts within (45) calendar days from invoice date, Frakes Engineering may then at any time, without waiving any claims or incurring any liability, suspend work in progress. All claims, disputes, or controversies arising out of, or in relation to the interpretation, application or enforcement of this Agreement shall be decided by arbitration in accordance with the then-most current rules of the American Arbitration Association, if the parties mutually agree. If this is disagreeable, then any attorney's fees or other costs incurred in collecting any delinquent amount shall be paid by Client.

### 2.2 TIME AND MATERIAL RATES FOR ADDITIONAL WORK

Frakes Engineering Inc will provide additional services based upon the following rate schedule for 2017:

Classification	Straight Time Hourly Rate
Project Manager	\$120
Automation Engineer	\$105
Field Installation Technician	\$ 75

#### Terms

- These rates are for all hours worked during the regular workweek. Hours worked on weekends or holidays are 1.5 times the regular rate.
- Invoices are done on a bimonthly basis and are due Net 30 days
- All direct expenses are billed at cost with supporting documentation for items over \$25
- Any materials provided will to be billed at cost + 15%.

### 2.3 TRAVEL TIME AND EXPENSES

Travel to the customer's primary site will be charged portal to portal. Travel expenses (airline tickets, rental cars, personal automobile mileage, etc.) and living expenses (hotel, meals, telephone, laundry, etc.) will be billed as defined above. For assignments away from the employee's home base, a weekend trip home will be allowed every week. A per diem rate can be negotiated for long term assignments.

### 2.4 SHIPPING

Unless otherwise provided in the contract, Frakes Engineering will select the method of transportation and routing for equipment. Terms are f.o.b. shipping point and shipment shall be made freight collect or prepaid and charged as a separate item on the invoice.