

PUBLIC WORKS & UTILITIES COMMITTEE

13-0283R

RESOLUTION AUTHORIZING AN AGREEMENT WITH GOODPOINTE TECHNOLOGY, INC., FOR A PAVEMENT CONDITION SURVEY FOR AN AMOUNT NOT TO EXCEED \$115,000.

CITY PROPOSAL:

WHEREAS, in December 2011, the city entered into a software license agreement with GoodPointe Technology, Inc., for its ICON Pavement Management System and database development;

WHEREAS, the city is now ready for the consultant to move on to the next phase of adding information to the database;

NOW, THEREFORE, BE IT RESOLVED, that the proper city officials are hereby authorized to enter into an agreement with GoodPointe Technology, Inc., substantially in the form of that on file in the office of the city clerk as Public Document No. _____, for a pavement condition survey to include Task 1.1 ASTM PCI Survey, Task 1.3 Roughness (IRI) Data, and Task 1.4 Rutting Data, for an amount not to exceed \$115,000, payable from Capital Equipment Fund 250, Dept./Agency 015 (Public Administration), Div 2013 (Fiscal

Year), Obj. 5580 (Capital Equipment), Project No. CE250-E1314.

Approved:



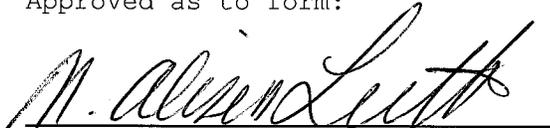
Department Director
Purchasing Agent DJS

Approved for presentation to council:



Chief Administrative Officer

Approved as to form:



Attorney

Approved:



Auditor

PWU/PRCH CP:SW:DS:le 05/21/2013

STATEMENT OF PURPOSE: This resolution authorizes an agreement with GoodPointe Technology, Inc., for a pavement condition survey for an amount not to exceed \$115,000. This agreement is the next phase to the software license agreement entered into by the city in December 2011. This phase will include data collection and entry into the database created by GoodPointe and supported by the software. The use of this software and data will allow the city to more cost-effectively manage its infrastructure assets.

GoodPointe Technology, Inc. is headquartered in St. Paul, Minnesota, with staff located regionally across North America and Asia.

Requisition No. 13-0372

**AGREEMENT FOR SERVICES
BY AND BETWEEN
GOODPOINTE TECHNOLOGY INC.
AND
CITY OF DULUTH**

THIS AGREEMENT, by and between the City of Duluth, a municipal corporation, hereinafter referred to as "City," and GoodPointe Technology Inc., a corporation under the laws of Minnesota, hereinafter referred to as "Consultant," for the purpose of rendering services to the City.

WHEREAS, in December 2011, the City entered into a software license agreement with Consultant for its ICON Pavement Management System (the "Software Agreement") and database development (the "Database"); and

WHEREAS, the City is now ready for Consultant to move to the next phase of adding information to the Database (the "Project");

WHEREAS, Consultant provided a proposal to the City outlining the scope of the services for the Project (the "Proposal");

WHEREAS, Consultant has represented that it is qualified and willing to perform services set forth in its proposal;

WHEREAS, the City desires to utilize Consultant's services for the Project;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the parties hereto agree as follows:

I. Services to be Performed.

Consultant will provide the following services:

Pavement Condition Survey:

- ASTM PCI Survey (Section 1.1. of Proposal)
- Roughness (IRI) data (Section 1.3 of Proposal)
- Rutting Data (Section 1.4 of Proposal)

all of which are described in more detail the Proposal, attached hereto as Exhibit "A" and incorporated herein. Consultant agrees that it will provide its services at the direction of the City Engineer ("Engineer"). In the event of any conflict between the terms of the Proposal and this Agreement, the terms and conditions of this Agreement shall be deemed to be controlling.

II. Fees.

It is agreed between the parties that Consultant's maximum fee for the term of this Agreement

shall not exceed the sum of One Hundred Fifteen Thousand and 00/100th dollars (\$115,000), payable from Fund 250, Dept/Agency 015, Division 2013, Object 5580, Project Number CE250-E1314, Job #1047 (Capital Equipment, Public Administration, 2013 Capital Equipment, Project Number CE250-E1314, Job #1047) inclusive of all expenses. All bills for services rendered shall be submitted monthly to the Engineer. All requests for reimbursement shall be made no more frequently than monthly and shall be accompanied by such documentation as the City shall reasonably request. Upon receipt of said request and the appropriate documentation, the City shall reimburse Consultant up to the amount set forth above.

III. General Terms and Conditions.

1. Qualifications. Consultant represents that it is qualified and willing to perform the services set forth herein.
2. Amendments. Any alterations, variations, modifications or waivers of terms of this Agreement including contract price shall be binding upon the City and Consultant only upon being reduced to writing and signed by a duly authorized representative of each party.
3. Assignment. Consultant represents that it will utilize only its own personnel in the performance of the services set forth herein; and further agrees that it will neither assign, transfer or subcontract any rights or obligations under this Agreement without prior written consent of the City. The primary consultant assigned to the Project is Anthony J. Kadlec. Mr. Kadlec shall be responsible for the delivery of professional services required by this Agreement and, except as expressly agreed in writing by the City in its sole discretion, the City is not obligated to accept the services of any other employee or agent of Consultant in substitution of Mr. Kadlec. The foregoing sentence shall not preclude other employees of Consultant from providing support to Mr. Kadlec in connection with Consultant's obligations hereunder.
4. Data and Confidentiality, Records and Inspection.
 - a. The City agrees that it will make available all pertinent information, data and records reasonably available to City for Consultant to use in the performance of this Agreement, or to assist Consultant wherever possible to obtain such records, data and information.
 - b. All reports, data, information, documentation and material provided to Consultant since November 2011 (the "City Data") or prepared by Consultant pursuant to this Agreement and Project will be confidential and will not be released by Consultant without prior written authorization from the City.

c. Consultant agrees that all the data collected by Consultant for the City is a “work made for hire” and will become part of the City Data and that the City shall own all right, title, and interest in and to the data. Consultant further agrees that to the extent the work is not a “work made for hire” Consultant will assign to City ownership of all right, title and interest in and to the City Data, including ownership of the entire copyright in the work, if applicable. Upon termination of the Software Agreement, Consultant shall provide the City with a readable copy of the City Data in a format mutually agreed by parties. Upon the City’s receipt of acknowledgement the City Data has been successfully received, Consultant will erase, destroy, and render unrecoverable all City Data and certify in writing that these actions have been completed within 30 days of this notification.

d. Consultant represents and warrants that the work created or prepared by Consultant will be original and will not infringe upon the rights of any third party, and Consultant further represents that the work will not have been previously assigned, licensed or otherwise encumbered.

e. Records shall be maintained by Consultant in accordance with requirements prescribed by the City and with respect to all matters covered by this Agreement. Such records shall be maintained for a period of six (6) years after receipt of final payment under this Agreement.

f. Consultant will ensure that all costs shall be supported by properly executed payrolls, time records, invoices, contracts, vouchers, or other official documentation evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents pertaining in whole or in part to this Agreement shall be clearly identified and readily accessible.

g. Consultant shall be responsible for furnishing to the City records, data and information as the City may require pertaining to matters covered by this Agreement.

h. Consultant shall ensure that at any time during normal business hours and as often as the City may deem necessary, there shall be made available to the City for examination, all of its records with respect to all matters covered by this Agreement. Consultant will also permit the City to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.

5. Standard of Performance.

Consultant agrees that all services to be provided to the City pursuant to this Agreement shall be performed in a competent and workmanlike manner with the degree of skill and

care which is in accordance with the then current generally accepted standards of the profession for the provisions of services of this type.

6. Contract Period.

Notwithstanding the date of execution, the term of this Agreement shall commence on May 1, 2013 and shall continue until November 30, 2013 unless terminated earlier as provided for herein. The City may, by giving written notice, specifying the effective date thereof, terminate this Agreement in whole or in part without cause. In the event of termination, all property and finished or unfinished documents and other writings prepared by Consultant under this Agreement shall become the property of the City and Consultant shall promptly deliver the same to the City. Consultant shall be entitled to compensation for services properly performed by it to the date of termination of this Agreement. In the event of termination due to breach by Consultant, the City shall retain all other remedies available to it, and the City shall be relieved from payment of any fees in respect of the services of Consultant which gave rise to such breach.

7. Independent Contractor.

a. It is agreed that nothing herein contained is intended or should be construed in any manner as creating or establishing the relationship of copartners between the parties hereto or as constituting Consultant as an agent, representative or employee of the City for any purpose or in any manner whatsoever. The parties do not intend to create any third party beneficiary of this Agreement. Consultant and its employees shall not be considered employees of the City, and any and all claims that may or might arise under the Worker's Compensation Act of the State of Minnesota on behalf of Consultant's employees while so engaged, and any and all claims whatsoever on behalf of Consultant's employees arising out of employment shall in no way be the responsibility of City. Except for compensation provided in Section II of this Agreement, Consultant's employees shall not be entitled to any compensation or rights or benefits of any kind whatsoever from City, including without limitation, tenure rights, medical and hospital care, sick and vacation leave, Worker's Compensation, Unemployment Insurance, disability or severance pay and P.E.R.A. Further, City shall in no way be responsible to defend, indemnify or save harmless Consultant from liability or judgments arising out of Consultant's intentional or negligent acts or omissions of Consultant or its employees while performing the work specified by this Agreement.

b. The parties do not intend by this Agreement to create a joint venture or joint enterprise, and expressly waive any right to claim such status in any dispute arising out of this Agreement.

c. Contractor expressly waives any right to claim any immunity provided for in

Minnesota Statutes Chapter 466 or pursuant to the official immunity doctrine.

8. Indemnity.

Consultant agrees to defend, save harmless, and indemnify the City of Duluth, its agents, and employees from any loss, cost, or damage by reason of Personal Injury or property damage of whatsoever nature or kind arising out of, or as a result of, the performance of the work by the Consultant, its employees, agents, or subcontractors.

9. Insurance.

a. Consultant shall provide and maintain in full force and effect during the life of this Agreement the following minimum amounts of insurance:

(i) Workers' compensation insurance in accordance with applicable law.

(ii) Public Liability Insurance and Automobile Liability Insurance with limits not less than \$1,500,000 Single Limit and shall provide for the following: Liability for Premises, Operations, Completed Operations, Independent Contractors, and Contractual Liability.

(iii) Professional Liability Insurance in an amount not less than **\$1,500,000** Single Limit; provided further that in the event the professional malpractice insurance is in the form of "claims made," insurance, 30 days notice prior to any cancellation or modification shall be required; and in such event, Consultant agrees to provide the City with either evidence of new insurance coverage conforming to the provisions of this paragraph which will provide unbroken protection to the City, or, in the alternative, to purchase at its cost, extended coverage under the old policy for the period the state of repose runs; the protection to be provided by said "claims made" insurance shall remain in place until the running of the statute of repose for claims related to this Agreement

(iv) City of Duluth shall be named as Additional Insured under the Public Liability and Automobile Liability and Consultant will provide Certificate of Insurance evidencing such coverage with 30-days notice of cancellation, non-renewal or material change provisions included prior to the execution of this Agreement and a certificate showing continued maintenance of such insurance shall be on file with the City during the term of this Agreement. The City of Duluth does not represent or guarantee that these types or limits of coverage are adequate to protect the Service Provider's interests and liabilities.

(v) The use of an "Accord" form as a certificate of insurance shall be accompanied by two forms:

(a) ISO Additional Insured Endorsement (CG-2010 pre-2004) and

(b) (ii) Notice of Cancellation Endorsement (IL 7002) or equivalent, as approved by the Duluth City Attorney's Office.

b. Such insurance shall protect Consultant, its employees, agents and representatives from claims and damages including but not limited to personal injury and death and any

act or failure to act by Consultant, its employees, agents and representatives in the negligent performance of work covered by this Agreement.

10. Notices

Notice to the City or Consultant provided for herein shall be sufficient if sent by the regular United States mail, postage prepaid, addressed to the parties at the addresses hereinafter set forth or to such other respective persons or addresses as the parties may designate to each other in writing from time to time:

City

City of Duluth
Room 402 City Hall
411 W. 1st Street
Duluth, MN 55802
Attn: Cari Pedersen, City Engineer

Consultant

Good Pointe Technology Inc.
287 E. 6th Street, Suite 200
St. Paul, MN 55101
Attn: Anthony J. Kadlec, President

11. Civil Rights Assurances

Consultant, as part of the consideration under this Agreement, does hereby covenant and agree that:

a. No person on the grounds of race, color, creed, religion, national origin, ancestry, age, sex, marital status, status with respect to public assistance, sexual orientation, and/or disability shall be excluded from any participation in, denied any benefits of, or otherwise subjected to discrimination with regard to the work to be done pursuant to this Agreement.

b. That all activities to be conducted pursuant to this Agreement shall be conducted in accordance with the Minnesota Human Rights Act of 1974, as amended (Chapter 363), Title 7 of the U.S. Code, and any regulations and executive orders which may be affected with regard thereto.

12. Laws, Rules and Regulations.

Consultant agrees to observe and comply with all laws, ordinances, rules and regulations of the United States of America, the State of Minnesota and the City with respect to their respective agencies which are applicable to its activities under this Agreement.

13. Applicable Law.

This Agreement, together with all of its paragraphs, terms and provisions is made in the state of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota. All proceedings related to this Agreement shall be venued in Duluth, Minnesota.

14. Severability

In the event any provision herein shall be deemed invalid or unenforceable, the remaining provision shall continue in full force and effect and shall be binding upon the parties to this Agreement.

15. Entire Agreement

It is understood and agreed that the entire agreement of the parties including all exhibits is contained herein and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof. Any amendment to this Agreement shall be in writing and shall be executed by the same parties who executed the original agreement or their successors in office.

16. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, but all of which together shall constitute but one and the same instrument. Signatures to this Agreement transmitted by facsimile, by electronic mail in "portable document format" (".pdf"), or by any other electronic means which preserves the original graphic and pictorial appearance of the Agreement, shall have the same effect as physical delivery of the paper document bearing the original signature.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and date first above shown.

CITY OF DULUTH

GOODPOINTE TECHNOLOGY INC.

By: _____
Mayor

By: _____
Its: _____

ATTEST:

City Clerk
Date: _____

Approved as to form:

City Attorney

Countersigned:

City Auditor

Exhibit A

PROPOSAL



**GOODPOINTE
TECHNOLOGY**

ICON
Get to the point^e
Infrastructure Management Solutions

March 28, 2013

Cari Pederson
Chief Transportation Engineer
City of Duluth, 211 City Hall
411 W. 1st Street
Duluth MN 55802

**Re: EXHIBIT A. ICON PAVEMENT MANAGEMENT SYSTEM DATA
COLLECTION PROPOSAL FOR CITY OF DULUTH, MINNESOTA**

Dear Cari:

We are pleased to present this revised proposal to City of Duluth.

We understand that this project is very important to City of Duluth; the quality of your decisions to allocate resources and maintain the short- and long-term health of the City's infrastructure network through the pavement management system to be implemented depends on the integrity of the system data integrated in this project and the quality of the process used to deliver the data.

To ensure that this critically important project is executed successfully, we have performed due diligence in providing the best available data collection technology for this project and offer our team of nationally-recognized infrastructure experts, engineering professionals, and field technicians to accomplish the required scope of work.

We appreciate the opportunity to work with you on this project, and we look forward to providing high-quality pavement and infrastructure management consulting services to the City of Duluth!

Sincerely,
GoodPointe Technology

Anthony J. Kadlec
President

Attachment: Proposed Scope of Service, Cost Estimate

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1. STATEMENT OF QUALIFICATIONS AND EXPERIENCE

OUR COMPANY

GoodPointe Technology, Inc. (**GoodPointe**) appreciates this opportunity to serve The City of Duluth. We provide the City with a wealth of experience that has already served the needs of a variety of public organizations and private sector clients throughout North America and Asia, with a regional emphasis in the Midwest.



GoodPointe specializes in providing high quality data collection, data reduction, and implementation services for infrastructure management software systems. Over the past twenty-five years GoodPointe staff have also been involved in the development, redevelopment, implementation and/or integration of infrastructure management systems such as those developed by the San Francisco Bay Area MTC (BAMTCPMS™), Army Corps of Engineers (MicroPAVER™), Carter System, Infrastructure Management Services, Inc (IMS), Midwest Pavement Management, Inc, (PMP), China PMS, Highway Sign Inventory System, Infracon (PMS/IMS™), and Stantec™, as well as ICON and a number of other public agencies' infrastructure and pavement management systems.

GoodPointe Technology is headquartered in St. Paul, Minnesota, and employs technical staff located regionally across North America, Europe, and Asia.

Role in this Project: GoodPointe will serve as the prime consultant for this project and will be providing the required needs analysis, data import/software setup and training services.

OUR SERVICES

We help the authorities of public and private infrastructure/facilities to more effectively meet their management and maintenance needs by providing powerful, flexible, and easy to use management system software and implementation services.

These management system implementation services include:

- Strategic planning and needs analysis for your local conditions;
- Data transfer and design of pavement condition data collection services;
- Infrastructure system performance analysis;
- Software Development and Implementation Services;
- GIS Consulting and System Reports Development and Training Services;
- Generating budget analysis scenarios; and,
- The development of short-term and long-term pavement maintenance/rehabilitation plans.

"What good is the information age if you do not have the right information?"

To advance in this technology-driven world requires more than technical competency and the will to succeed; it requires the right people with the right technology, the right information and the spirit of cooperation.

We believe that life is too short not to enjoy what you're doing, especially when we consider all the time that we spend at work, trying to succeed and helping others succeed. As the pace of information systems and computer technology seems to quicken, we will work with you to sort out what information you need to manage, so that you can maintain your perspective, establish your vision, and achieve your goals.

Our mission is to: "Get to the point"; in other words, let's work together to determine the information that you need to succeed, then we'll do our best to put you in the position to collect, analyze, and use and maintain this information."

-From the GoodPointe Technology Corporate Mission Statement

To summarize: we design, develop, market, implement, and maintain infrastructure management software systems used by businesses, government agencies and other organizations located around the world. The use of these systems enables responsible officials to more cost-effectively manage assets; assets that range from provincial/county roadways, city streets, sidewalks, curb and gutter, signs and signals, facility parking lots and pathways, utility drainage and sewer systems, pipelines, park systems, and other such items.

OUR PHILOSOPHY

We realize that understanding and effectively resolving today's increasingly complex infrastructure problems requires an experienced, interdisciplinary team of professionals. Pavement and related infrastructure management systems no longer present single-issue solutions but interdependent ones that cross technical, departmental, regulatory, and governmental boundaries. That is why we take an integrated, interdisciplinary approach to help our clients meet these challenges.

We take great pride in delivering high quality infrastructure management software *and* system data to our clients, and we encourage you to contact our references to verify our claim as you perform your due diligence in consideration of this project. Since we work on "both sides of this equation", we realize it is not good enough to implement industry-leading software with poor quality data. Nor will it suffice to have the world's best data reside within a software program that is difficult to use, maintain, and cannot model the local dynamics that challenge your municipal infrastructure system.

OUR PEOPLE

Our personnel have been developing successful infrastructure management consultation relationships with local, national, and international government agencies since the 1980's. Our past project work has helped build the foundations of pavement management science in North America and the rest of the world. We believe our experience in the field of infrastructure management science,

management system implementations, software development, and our experience in knowing how to work well with governmental agencies across the world, demonstrates our strong commitment to serving government agencies like yours.

OUR SOFTWARE PRODUCTS

GoodPointe is the developer of the Infrastructure Consultant (ICON) program, which is one of the most advanced asset management/maintenance management systems available on the world market, as well as other related software products that support the management of public and private infrastructure assets. Our core PMS technology was initially developed by our staff in 1982; our user-driven software development model takes advantage of our active user group and has helped our clients to successfully adapt to changes in technology and user needs over the last 31 years.

Our products and services are built upon a strong foundation of knowledge, which spans several decades of experience, in helping people effectively manage the infrastructure assets entrusted to them. We are experts in our niche in the world of infrastructure management systems technology and we are passionate in our mission to help you successfully manage your own corner of the world.

OUR STRATEGY FOR THIS PROJECT

Our experience has taught us to maintain a flexible approach in the process of working with clients in developing and implementing infrastructure maintenance management systems, since each project presents unique challenges that may depend on a combination of factors including: socio-economic conditions, infrastructure network condition, available staff resources of the project sponsor, and organizational receptivity to the management system.

Our strategy for the proposed project is to:

- Incorporate previously collected pavement condition data according to the standards developed and documented for this project;
- Highlight the technical issues facing The City of Duluth infrastructure network;
- Work with your staff to determine aggressive, realistic goals for your network;
- Use a proven management methodology to accomplish the goals; and,
- Establish the process so that the City can maintain its course with its successful ongoing use of the ICON system.

OUR PROPOSAL

We sincerely appreciate this opportunity to present this proposal to you, hope you enjoy reading it, and look forward to helping you find the best way to manage your infrastructure assets!

REFERENCES



WASHINGTON COUNTY
DEPARTMENT OF TRANSPORTATION
& PHYSICAL DEVELOPMENT
11660 MYERON ROAD NORTH · STILLWATER, MINNESOTA 55082-9573
651-430-4300 Facsimile Machine 651-430-4350

Donald C. Wisniewski, P.E.
Director
Donald J. Theisen, P.E.
County Engineer/Deputy Director
James D. Luger, RLA
Parks Director
Virginia S. Chace
Administrative Services Division Manager
Michael J. Weiling, PLS
County Surveyor
Marvin Erickson
Facilities Manager

October 31, 2003

Mr. Darwin Dahlgren, President
Goodpointe Technology
287 E 6th Street
St. Paul, MN 55101

Dear Darwin:

"Can't do it". "Not possible". "Cost too much". "You need to start from scratch". This is what we heard from other Sign Management software vendors when we asked about converting our existing sign database to new software.

Then we had a discussion with Tony and Amy from your office. The answer was, "We can do it". What a refreshing response. Your help in converting our sign data into the ICON Sign Management software not only saved us countless hours and money, but will pay dividends long into the future for us. We now have our pavement and sign management systems on the same software reducing the number of systems we need to maintain and train staff to use.

You have a great product with ICON. But what separates your software from the rest is your people. Tony, Amy, and Kirsten provide unparalleled customer service and expertise for us. It truly is an experience we do not get from any other engineering type software we have ever purchased.

It's a pleasure partnering with you on these management systems for our County.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Theisen".

Don Theisen
County Engineer

AWW001Theisen-Correspondence-10/31/03.doc



city of eagan

PAT GEAGAN

Mayor

PEGGY CARLSON

CYNDEE FIELDS

MIKE MAGUIRE

MEG TILLEY

Council Members

THOMAS HEDGES

City Administrator

Municipal Center:

3830 Pilot Knob Road

Eagan, MN 55122-1897

Phone: 651.675.5000

Fax: 651.675.5012

TDD: 651.454.8535

Maintenance Facility:

3501 Coachman Point

Eagan, MN 55122

Phone: 651.675.5300

Fax: 651.675.5360

TDD: 651.454.8535

www.cityofeagan.com

THE LONE OAK TREE

The symbol of strength

and growth in our

community

June 4, 2004

Mr. Tony Kadlec
Good Pointe Technology
287 E. 6th Street, Suite 200
St. Paul, MN 55101

Re: To Whom it May Concern:

Tony,

I wanted to take a moment to compliment you once again on the wonderful work you and your staff have done for the City of Eagan over the past several years. All of our technology and asset management systems supported by your firm are fabulous!

I have had the sincere pleasure of participating with you and your staff as these programs/systems have been refined and implemented. You have customized the software to meet our needs and the results are very remarkable.

I have been continuously amazed and pleasantly surprised at how adept you and your staff are with effortlessly developing an understanding of these very unique disciplines. Additionally, Good Pointe's diplomacy, insight and poise as a participant during the rigorous brainstorming sessions that are part of these creative processes have proven invaluable. You and your people have mastered the ability to nurture that process in a productive leadership capacity without ever letting the participants realize that they are being shepherded by professionals.

Our collective City of Eagan hat is off to you and your staff, Tony. You have earned my most sincere respect. I would be more than happy to communicate about your companies unique skills and/or attributes with anyone that would ever need my recommendation.

Sincerely,

Tom Struve
Superintendent- Streets, Central Services, & Equipment
City of Eagan, Minnesota
651-675-5315

G:/TS/LETTERS/Traffic /Kaitlin1-15-04



June 14, 2004

Mr. Tony Kadlec
Goodpointe Technology
287 E. 6th Street, Suite 200
St. Paul, MN 55101

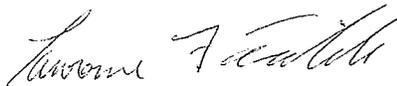
Dear Tony:

I wish to take this opportunity to thank you and your staff for all the assistance and support your firm has provided the City of Bloomington. It is a rarity to work with a company, specifically a software company, that has been so willing to take suggestions and make modifications of existing software to meet the needs of an end user. Your Icon software has become an integral tool in our City's pavement management program.

The Icon asset management and future pavement condition forecasting abilities have allowed the City to develop and maintain pavement maintenance strategies that over time have saved scarce tax dollars by helping determine the right type of pavement rehabilitation at the most cost effective time of the pavement life cycle. Our City Council, past and present, have recognized the value of the program and continue to support it.

I have been impressed with Goodpointe's vision of the future. You and your team have always looked to the future while continuing to support the present. I appreciate your firm's support and willingness to listen to our concerns and develop solutions to our problems. I look forward to working with you for many years to come.

Sincerely,



Larry Tschida
Maintenance Superintendent

MAINTENANCE DIVISION
1700 WEST 98TH STREET, BLOOMINGTON MN 55431-2501
PH 952-563-8760 FAX 952-563-4770 TTY 952-563-8740

AN AFFIRMATIVE ACTION/EQUAL
OPPORTUNITIES EMPLOYER

List of Past Pavement Management Projects

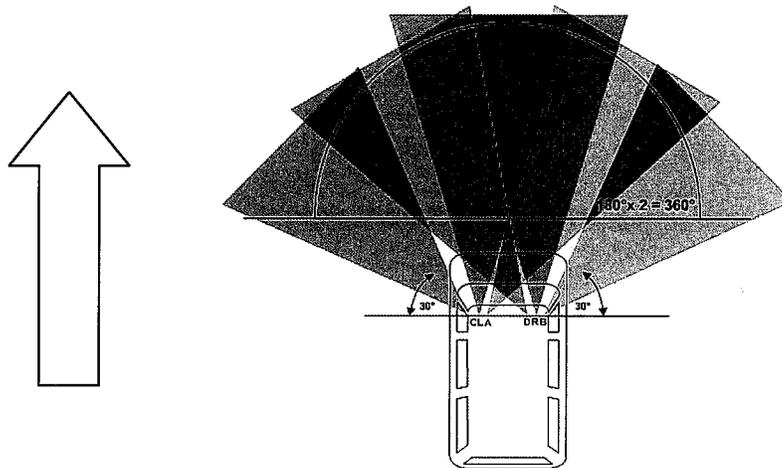
- Anoka County, MN
- Arlington County, VA
- City of Arden Hills, MN
- City of Bloomington, MN
- City of Brooklyn Center, MN
- City of Brooklyn Park, MN
- City of Burnsville, MN
- City of Cedar Falls, IA
- City of Champlin, MN
- City of Chanhausen, MN
- City of Coon Rapids, MN
- City of Cottage Grove, MN
- City of Donna, TX
- City of Dothan, AL
- City of Eagan, MN
- City of Eden Prairie, MN
- City of Elk Grove, IL
- City of Evansville, IL
- City of Grand Rapids, MN
- City of Fargo, ND
- City of Guangzhou, China
- City of Hopkins, MN
- City of Hutchinson, MN
- City of International Falls, MN
- City of Inver Grove Heights, MN
- City of Lakeville, MN
- City of Maplewood, MN
- City of Menlo Park, CA
- City of Minneapolis
- City of Monticello, MN
- City of Mounds View, MN
- City of New Hope, MN
- City of North St. Paul, MN
- City of Northfield, MN
- City of Norfolk, NE
- City of Oakdale, MN
- City of Ottumwa, IA
- City of Plymouth, MN
- City of Richfield, MN
- City of Robbinsdale, MN
- City of Rochester, MN
- City of Rosemount, MN
- City of Roseville, MN
- City of San Antonio, TX
- City of San Francisco, CA
- City of Sausalito, CA
- City of Shakopee, MN
- City of Shawnee, OK
- City of Shijiazhuang, China
- City of Shoreview, MN
- City of South Pasadena, CA
- City of St. Paul, MN
- City of Tallahassee, FL
- City of Tulsa, OK
- City of Woodbury, MN
- Coco Solo Hospital, Panama
- Columbus Consolidated Government, GA
- Dakota County, MN
- Dodge County, MN
- El Paso County, Texas
- Fairfax County, Virginia
- Fillmore County, MN
- Fort Buchanan, San Juan, Puerto Rico
- Fort Clayton, Republic of Panama
- Fort Devens, Ayer, MA
- Fort Drum, Watertown, NY
- Fort Gillem, Georgia
- Fort McCoy, Sparta, WI
- Fort McPherson, GA
- Fort Meade, Baltimore MD
- Fort Sam Houston, San Antonio, TX
- Fort Stewart, GA
- Fort Story, Virginia Beach, VA
- Freeborn County, MN
- Goodhue County, MN
- George Air Force Base, CA
- Grand Forks-East Grand Forks MPO
- City of Grand Forks, ND
- City of East Grand Forks, MN
- Hennepin County, MN
- Hidalgo County MPO
- City of Alamo, TX
- City of Edinburg, TX
- City of McAllen, TX
- City of Mercedes, TX
- City of Pharr, TX
- City of San Juan, TX
- City of Weslaco, TX
- Hunter Army Air Field
- Kanabec County, MN
- Marine Corps Recruit Depot, SC
- McClellan Air Force Base, CA
- Metropolitan Airports Commission (MAC)
- Mille Lacs County, MN
- Minneapolis Park and Rec Board, MN
- Monterrey County, CA
- Montgomery County, TX
- Naval Air Station, Cecil Field, FL
- Naval Air Station, Engelside, TX
- Olmsted County, MN
- Peterson Air Force Base, CO
- San Bernardino County, CA
- Scott County, MN
- Sherburne County, MN
- St. Louis County, MN
- Stanford University, CA
- Steele County, MN
- Tulsa District Corps of Engineers, OK
- University of Minnesota, Minneapolis, MN
- US Army Reserve Corps
- USMCA, Baumholder, Germany
- USMCA, Fulda, Germany
- USMCA, Geopingen, Germany
- USMCA, Hanau, Germany
- Village of Highland Park, IL
- Village of Inverness, IL
- Village of St. Anthony, MN
- Washington County, MN
- Wright County, MN

2. SCOPE OF SERVICES

TASK 1. PAVEMENT CONDITION SURVEY

RIGHT OF WAY DATA COLLECTION

Our team will meet the City's critical inventory and condition survey requirements by providing *sub-meter coordinate accuracy coupled with an asset feature extraction process that does not require field inspections*. While some details of this approach may be tailored to meet additional specific needs of the City, the general approach is as follows:
Our data collection van will utilize a 6-camera configuration as pictured.



STEP 1. DIGITAL IMAGE ACQUISITION

All designated roadway routes under the jurisdiction of the City would be driven by one or more specially equipped data collection vehicles such as the following.



The actual collection process makes use of the latest digital imaging and Global Positioning System (GPS)/Inertial Navigational System (INS) technology to capture accurate feature location coordinates and a digital record of each visible feature simultaneously.

All imagery is captured with multiple full-frame progressive scan digital color cameras that take high-resolution (1600 pixels x 1200 lines) jpeg images at pre-set intervals along the designated route, as shown in the following example. While not a moving video of the route, images are sequenced to simulate a full video log along each street.



STEP 2. DEFINITION OF FEATURES AND ATTRIBUTE INFORMATION

The imaged roadways will include many different types of infrastructure assets that will be captured in the images. Our team will work with the City to finalize the list of data attributes to be evaluated for each feature set and then 'extracted' from the digital image data collected for this project.

NOTE: the digital image data collected by the van can be continually used and re-used for extracting additional infrastructure features (e.g. pavement striping, etc.) as the City's needs and resources allow.

STEP 3. DIGITAL IMAGE EXTRACTION PROCEDURE

The digital imagery is overlapped to support stereo positioning of right-of-way features visible in both frames. The required feature and attribute information will be subsequently tagged using ***Feature Extraction*** software.

TASK 1.1 ASTM PCI SURVEY

The digital image data will be used to facilitate a quantitative pavement condition survey, in which the various pavement distresses will be digitally measured from the images and laser-based data collected in the field.

The recommended surface condition assessment for this project will be based upon the standard survey distress definition as specified in the ASTM 6433-07, by the American Society for Testing and Materials. The assessment will provide a calculated Pavement Condition Index (PCI) for each pavement management inventory section (i.e. street block) evaluated in the survey.

For the bituminous pavements within the selected area of evaluation, the following pavement surface condition distresses and their related quantities will be recorded:

- Bleeding & Pumping
- Block Cracking
- Bumps & Sags
- Corrugations (shoving/washboard)
- Depression
- Edge Cracking
- Fatigue (Alligator) Cracking
- Lane/Shoulder Drop-off
- Patching
- Polished Aggregate
- Potholes
- Railroad Crossing
- Raveling & Weathering
- Rutting
- Slippage Cracking
- Swell

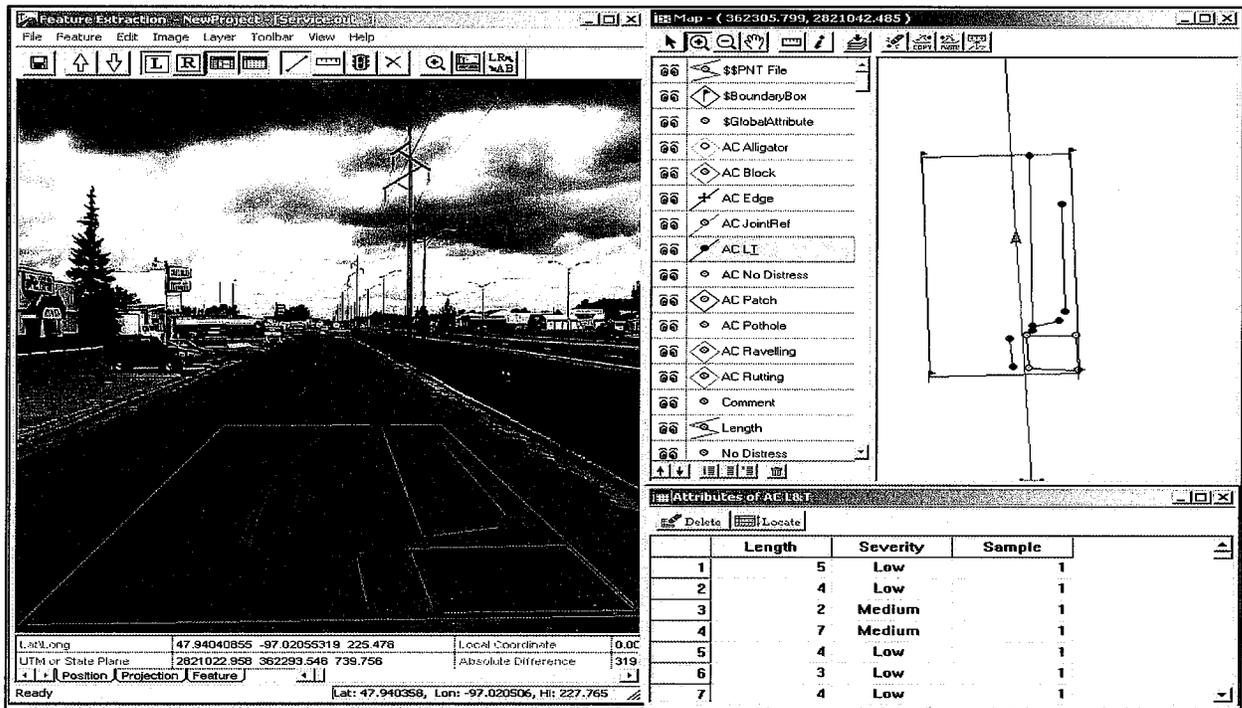
For Portland Cement Concrete (PCC) pavements the following pavement surface condition distresses and their related quantities will be recorded:

- Corner Breaks
- Joint Seal Damage
- Polished Aggregate
- Scaling/Map Cracking
- Longitudinal/Transverse Cracking
- Durability ("D") Cracking
- Faulting
- Divided Slabs
- Patching
- Shrinkage Cracks
- Spalling, Corner
- Spalling, Joint
- Punchout

The measured information is then registered in the underlying relational database and compared for distress type/severity level information from the survey, with the corresponding GPS (XYZ) coordinates stored for future reference in the City GIS.

GoodPointe Technology will transfer all the data from the pavement condition survey, calculate the PCI and update the City's ICON PMS database. At the conclusion of this task, each roadway inventory section (i.e. street block) will have a calculated PCI. The City will be able to retrieve the survey results and use it for pavement management project planning immediately after the installation of the updated database.

Pricing Details: see attached cost schedule for our proposed survey options.



QUALITY ASSURANCE PLAN

"You cannot inspect quality into a product (or service)--it is already there."

W. Edwards Demming, The father of the American Quality Management.

As it relates to the City pavement condition data collection project, if we collect 444 miles of pavement condition data for Duluth and then were to do, say a 1% quality control (QC) inspection (4 miles) and show you the results after the fact, this QC effort will effectively do nothing to improve the quality of the remaining 99% (or 440 miles) of survey data that we had already collected for the City. In other words, we cannot inspect quality into a product (or service) once it has already been created or delivered.

Therefore, it is the intent of our GoodPointe Quality Assurance (QA) procedures to ensure that each of our raters is competently trained *before* starting the project and that we provide ongoing refresher training to our raters at the *onset* of the project to ensure that we are consistent in our rating procedures (i.e. the assignment of distress types, severity levels, and quantities) for the local conditions for any custom survey procedures, etc. and that we keep our raters freshly rotated between their work in the field and in the office doing data entry.

This consistency training involves bringing multiple raters out into the field and doing a walk-through calibration survey, to ensure that our raters are consistently rating distresses-, severity levels, and quantities, within an accepted level of variation. We also encourage the "when in doubt, write it out" policy, which encourages our raters to take detailed notes and flag individual surveys for a closer re-inspection if they observe pavement distress formations that appear out of the normal.

Although we do not have historical pavement condition data available for comparing to this 2013 PCI survey, we do have some additional QC checks available to us in this project. Based on known dates of construction, we can establish an expectation of PCI results to target PCI survey results which are outside the normally expected variation of pavement performance for the indicated pavement's life-cycle.

For example, if we know a residential roadway pavement (asphalt surface type) was newly reconstructed two (2) years ago, we might expect the PCI to be in the 95 to 100 range. However, if the resulting survey PCI=70, then the section would be flagged for QC inspection to confirm the quality of the condition survey and/or to document any extenuating circumstances (e.g. accidental pavement damage due to heavy construction vehicles, etc.).

QUALITY CONTROL PLAN

- The resources that are required to provide these proposed quality control services are already included in the quoted per mile rate of the pavement condition survey;
- For GoodPointe Technology projects that involve surface condition surveys, the Data Collection Lead (for this project, Kristen Anderson) is assigned the responsibility of providing field quality control services.
- A Project Kickoff Meeting will be held prior to the start of data collection operations for the City to meet with lead GoodPointe staff to review the data collection and quality control procedures proposed for this project. During this field meeting, pavement distress types and severity levels will be reviewed with the City and the technical staff assigned to the project;
- GoodPointe will randomly assign repeat surveys in the initial phase of the data extraction operations at the distress/severity level.
- After the completion of the quality control review period, the GoodPointe project team and designated City staff will discuss the results of the repeat surveys. Based on the results of this quality control review, our project engineer will apply corrective action, which will include, but not be limited to, retraining, rotation of raters, and possible replacement.

ICON PMS SOFTWARE QUALITY CONTROL CHECKS

For more than twenty-five years, we have developed and have continually refined our Infrastructure CONsultant (ICON) Pavement Management System (PMS) software to automatically capture and present meaningful QA/QC information to help our clients ensure that the collected system data provides a true representation of the actual pavement conditions in the field.

Here are a few examples:

Section Summary Checks

The Section Summary screen provides a one-stop location for users to obtain crucial PMS information and condition information with just one click, without having to open several

different dialog boxes. The summary window is accessed in the main data entry desktop through the Inventory => Section Summary menu.

Name: Magnetite Point	
Section: Carnelian Lane => Cui De Sac	
Surface Type: AC	Units: Ft
Functional Class: Residential	Length: 183.00
Latest ADT:	Width: 30.00
Latest Survey Date: 7/27/2005	Total Area: 11,852.00
Latest Maintenance CI Date: 7/15/1998	Latest Maint CI: 100
Latest Structural Project Date: 1/1/1994	Latest Structural Project Type: Construction-AC
Latest Non-Structural Project Date: 7/15/1998	Latest Non-Structural Project Type: Seal Coat
Map ID: 1777	Latest Survey CI: 62
Today's Projected CI: 49	

 Print

Note:
To generate the latest project information for the section, please run the Latest Data Maintenance Report found in the Report module.

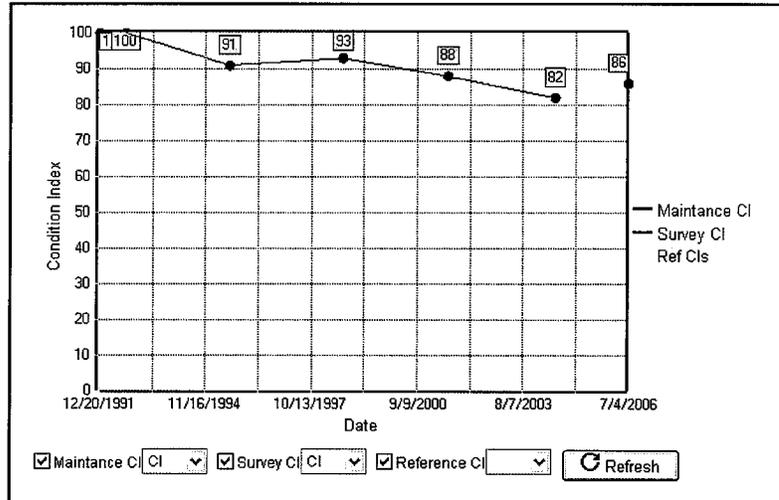
ICON PMS Software Screen Capture: Section Summary Dialog

As shown in the figure above, the **Today's Projected PCI** is presented to the user. Using the section's surface type, functional class, and latest structural layer, the program uses the assigned pavement performance curve to deteriorate the Latest PCI shown to today's date. In the above example, this AC, Residential pavement had a latest survey date of 7/27/2005 and survey PCI of 62; however, since a period of four years has elapsed since the most recent survey date, the ICON PMS software uses the assigned pavement performance curve (for the 'Construction-AC' project type) to deteriorate the PCI down to a 49 to reflect the expected condition of the pavement today (assuming no local pavement maintenance has been performed in the mean time).

In the event that there is significant amount of variation between the 'Today's Projected PCI' and the latest PCI, then one can perform a follow-up check on the PCI survey and/or consider a recalibration of the pavement performance curve for the indicated combination.

Section CI History Graph

Another QA/QC function that we provide in our ICON PMS software is the Section CI History graph. This graph provides a history of the individual PMS inventory unit's surface condition over time. Shown on the graph are calculated condition index scores from surveys (blue points), condition index scores for any maintenance projects (red points) entered into ICON (provided the user elected to calculate a maintenance CI) and reference CIs (yellow points) which are essentially user-defined scores.



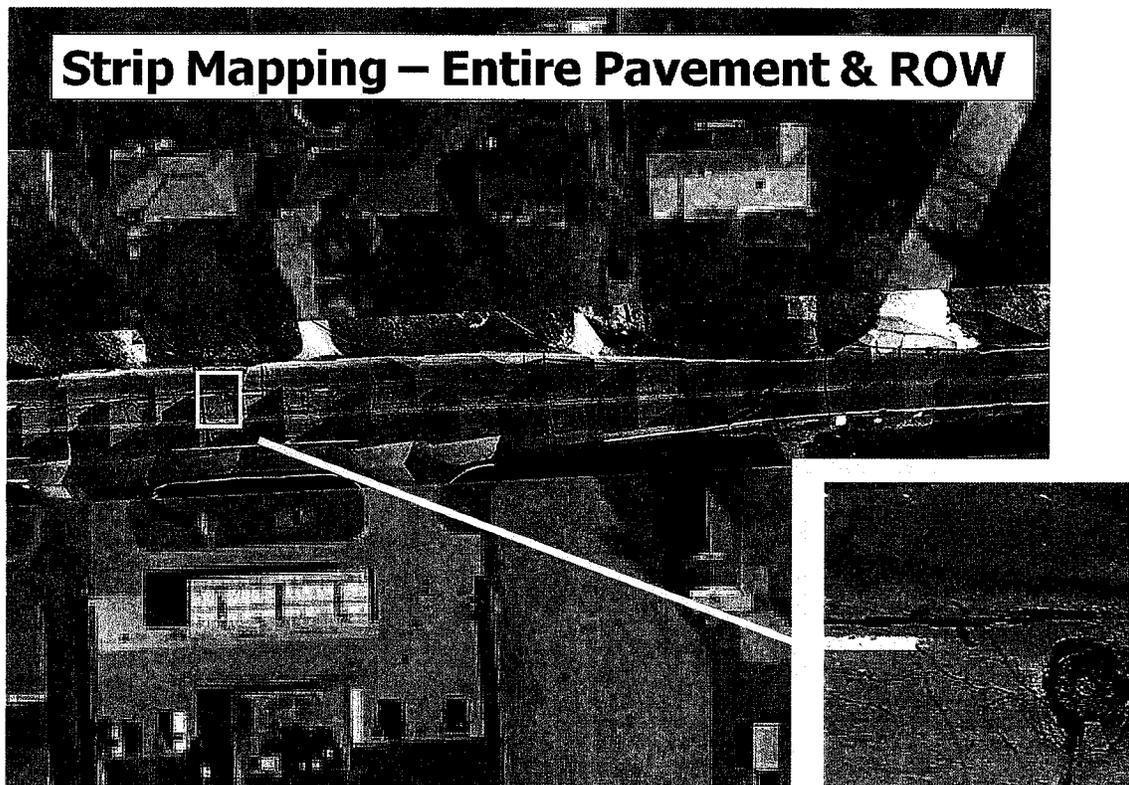
ICON PMS Software Screen Capture: Section CI History Dialog

Referring to the above figure, the blue data points (i.e. obtained from condition surveys) essentially represent a personalized pavement performance curve for the PMS inventory unit (e.g. a street block) displayed. If there is a notable increase in condition registered for a given blue survey point relative to the previous blue survey point **without** a red maintenance project point in between, then one can perform a follow-up check on the PCI survey and/or to field check if there was a maintenance, repair, or rehabilitation project actually performed on the pavement to explain the increase in PCI.

OPTIONAL TASKS

TASK 1.2 STRIPMAP IMAGE DATA (OPTIONAL)

This task offers the City a greater number of ways to view the images that can be used for the evaluation of the right of way infrastructure and pavement surface. For example, our system can recreate a multi megapixel image of the entire right of way from the various other images captured, as shown in the following image.



This spatially-referenced image can be used not only to locate, inventory and record the location of the City's desired infrastructure surveyed features (e.g. pavement distress, curb types, median presence, etc.); but can also provide a quick way of referencing and retrieving those created records via easy to use program interfaces and interpolated-, location-based referencing.

The data can be combined with any image or combination of images to view the full right of way as can be seen from our 3700x1100 resolution perspective images, similar to the one presented below.



TASK 1.3 ROUGHNESS (IRI) DATA (OPTIONAL)

Roughness or ride quality data is most commonly measured and expressed in terms of the International Roughness Index (IRI), however, it can be reported in qualitative terms (good, fair, poor, etc.) based on the data collection plan and models developed for this project. The IRI scale is linearly proportional to roughness. If all of the elevation values in a measured profile are increased by some percentage, then the IRI increases by exactly the same percentage. An IRI of 0.0 means the profile is perfectly flat. There is no theoretical upper limit to roughness, although pavements with IRI values above 8 m/km are nearly impassable except at reduced speeds.

Based on the data collection plan established for this project, roughness data is proposed for collection using the LTI LaserScan™ system.

LaserScan™ System Overview

LTI has developed the GPSVision LaserScan™ system for its survey vehicles and associated hardware modules which are vehicle independent, allowing us to provide the best vehicle and data collection system for the task at hand rather than building and maintaining expensive customized vehicles. The result is a less expensive and more robust asset management data collection platform than has been available in the past.

Longitudinal Profiling

Roughness data is collected using a Class 1 inertial laser profiler as defined by ASTM E-950. Triangulation lasers measure the height between the vehicle and pavement surface to <0.05mm, while the quality accelerometers establish vehicle movement allowing that movement to be removed for the laser height measurement, thus establishing profile in the wheel paths. This can be done at highway speeds (60mph).

The laser profiler software can calculate International Roughness Index (IRI) as well as store the wheel path profile in real-time. These indices can be summarized or calculated at user-defined intervals. Standard intervals are typically 50 feet for suburban agencies and one-tenth mile intervals for highway agencies.

TASK 1.4 RUTTING DATA (OPTIONAL)

The ASTM-PCI methodology proposed for this project incorporates the pavement distress of "rutting", which is an area-based, load-related distress that indicates a structural deficiency in Asphalt Concrete (AC) pavement. The extent of detected rutting is measured in units of square feet (ft²) and according to the three severity levels of low-, medium- and/or high-

severity, in accordance with the ASTM-PCI methodology. The rutting data detected to be present in both wheel paths will be recorded for transfer into the pavement condition database for additional analysis and reporting.

The proposed LaserScan™ profiler technology also includes a laser line projection system to measure rutting across the entire traveled lane. With this system, rutting can automatically be detected, measured, and recorded to millimeter precision. This approach is more repeatable than rut bar-based methods of data collection that typically have fewer than 10 points across the lane because the maximum depth of the rut can be determined regardless of the vehicle's actual path in the lane.

One of the many benefits of using the GPSVision LaserScan™ system methodology is that our generated output is more practical for daily use. Beyond processing rutting data as an input for calculating the PCI score for each PMS inventory unit, since the LaserScan™ data is spatially controlled, the City will have the benefit of being able to query the rutting results to display on a GIS map for additional analysis, mapping, and project planning.

The image below shows the rutting values presented as a rutting line that travels with the profile of the pavement. This information can be used to create specific repair and maintenance plans and to give the user a better feel for the location and presence of rutting issues as an additional source of information beyond the calculated section PCI.



Viewing Captured Images and options for creating records

The GPSVision LaserScan™ system collects roughness and rutting data as the van automatically collects high-resolution, geo-referenced digital images in stereo pairs, which provide for 3D viewing and the ability to re-render views of the right of way that were not originally captured during the actual survey.

3. PERFORMANCE AND COST SCHEDULE

SCHEDULE

Based on the notice to proceed date of May 1st, 2013 and assuming all source data required for the project has been received:

Project Deliverable	Estimated Delivery Date
Task 1. Pavement Condition Survey	November 30, 2013

COST SCHEDULE

Included under separate cover

GoodPointe Technology

March 28, 2013

Exhibit A. Cost Schedule for Network Level Pavement Condition Survey

City of Duluth, Minnesota

Task	Description	Quantity	Units	Unit Cost	Optional	Total
1	Task 1. Pavement Condition Survey					
	Task 1.1 ASTM PCI Survey	444	Miles	\$	189	\$ 83,916
Optional	Task 1.2 StripMap Images of City Right-of-Way	444	Miles	\$	38 \$	16,872
Optional	Task 1.3 Roughness (IRI) Data	444	Miles	\$	36 \$	15,984
Optional	Task 1.4 Rutting Data	444	Miles	\$	34 \$	15,096
Subtotal:					\$ 31,080	\$ 83,916
Task 1.1 PCI Survey						\$ 83,916
Task 1.1 PCI Survey + Task 1.3 Roughness Data:						\$ 99,900
Task 1.1 PCI Survey + Task 1.3 Roughness Data + Task 1.4 Rutting Data:						\$ 114,996
Task 1.1 PCI Survey + Task 1.2 StripMap Images+ Task 1.3 Roughness Data + Task 1.4 Rutting Data:						\$ 131,868
This cost quote is deemed valid for a period of 90 days.						

Exhibit A
PROPOSAL

CERTIFICATES OF INSURANCE