



November 26, 2025

Erica Hughes Sterling, Esq.
Spottswood, Spottswood, Spottswood & Sterling, PLLC
500 Fleming Street
Key West, FL 33040

Email: erica@spottwoodlaw.com

RE: Lower Keys Medical Center – 5900 College Road, Key West, FL 33040
Structural Engineering Fee Proposal – Structural Assessment of Existing Conditions
WSP Proposal No. 2025US508321

Dear Ms. Sterling,

Thank you for providing WSP the opportunity to submit a fee proposal for the above-noted project.

We understand the scope of work as currently envisioned includes the assessment, inspection, and scoping of the structural conditions of the Lower Keys Medical Center property located at the aforementioned address, with the intent of compiling a corresponding structural report with our findings on the assessment.

The Lower Keys Medical Center is a 167-bed acute care hospital with a 24-hour emergency department, laboratory, and radiology facilities.

I. SCOPE OF STRUCTURAL ENGINEERING SERVICES

a. Review of available information:

In preparation for the site visit, the WSP Structural team will review available existing information (structural drawings, previous structural condition assessment reports, geotechnical information, etc.).

In addition, we will perform the following:

- i. Identification of gravity and lateral force-resisting systems, for extent and load path.
- ii. Verification of gravity framing system via spot checks of floor framing and columns.
- iii. Spot check of foundation components
- iv. Not included is a detailed lateral analysis of the building's lateral force resisting system – i.e., wind system analysis.

The above-noted reviews would be performed only if the appropriate documents are provided to us. If the drawing provided are not complete and we are inhibited from completing the above noted study, we will notify you accordingly.

- ### **b. Site visit**
- for collection of data and visual observation of existing building structures: The WSP Structural team intends to visit the existing premises for visual observation and assessment of conditions including possible signs of damage and deterioration. Observations



will be made on structural elements that are accessible and open to visual examination. We expect to conduct brief interviews (if possible) with building/facility managers to obtain supplemental information (available structural drawings, recent retrofits, possible damage, and further concerns). No material sampling or destructive testing will be performed during the site visit. As part of the review process, photos and field notes will be taken for description and corresponding documentation of the structural system in our condition assessment report.

- c. **Structural assessment** of building structure drawing review and field visual observations: Based on the results of the **drawing review and observations**, we will provide basic structural assessment of the inspected building in report format which will include our findings and conclusions, plus recommendations for more in-depth studies, if required. Based upon visual survey and the results of our study, material testing and sampling may be recommended.

Please note that the engineering services outlined in this proposal are limited to the aforementioned scope of work. If concerns and/or deficiencies are encountered, or we determine that further investigative measures and/or structural analytical evaluations are needed as a result of our structural condition assessment, we will revisit this proposal accordingly to correlate the required additional engineering services, once defined.

II. ASSUMPTIONS AND EXCLUSIONS

Assumptions and potential additional Services not included on the current scope of services are as follows:

1. Structural condition assessment is limited to primary structural components of gravity and lateral force-resisting systems (nonstructural components are excluded from structural review considerations: facades, roofing, finishes, etc.).
2. It is assumed that the WSP Structural team will be provided with available structural drawings, geotechnical information, and prior assessment reports for existing building structures within the site.
3. Evaluation of original structural engineering design, construction, and building code compliance - WSP takes no responsibility for the existing conditions.
4. Site and building access will be provided to the WSP structural team during our site visit (incl. access to structural elements where possible). If in-place testing or probes are required, the cost of labor to open the probe is not included in our fee.
5. All site reviews will be visual only. If material testing is required, the cost is not included in our fee.
6. Detailed engineering services beyond structural condition assessment (incl. analytical work on assessment of building performance) are considered optional and are not included in the current scope of work. WSP can proceed with an in-depth analytical assessment of the existing building structures and verification of specific structural elements identified as deficient or damaged and/or requiring corrective measures during our visual observations, for an additional fee.
7. Preparation of As-Built drawings, survey and measurement of existing structures, and development of design documents are not included as part of the current scope of services.
8. Cost estimates on any potential corrective measures is not included.
9. Filing of reports or documents with local authorities having jurisdiction.
10. Expert witness or other legal-related services.

Please note, we reserve the right to refuse any additional scope not included in this proposal.



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III. FEE PROPOSAL

A. Base Services and Study

WSP will provide the Basic Services and Study described above for a proposed lump sum fee of \$60,000.

Fee Basis:

The above-noted fees are exclusive of reimbursable expenses (printing, mailings, messengers, etc.), which will be billed at cost.

B. Payment

An initial payment of \$5,000 will be required upon signing the proposal as authorization to initiate work.

C. Additional Services

Fees for additional services, if any, will be based on time expended (per our attached standard billing rates table). No additional service work will be undertaken without prior written authorization from the client.

D. Standard Terms and Conditions

The Standard Terms and Conditions attached hereto are incorporated in, and made part of, this proposal. This proposal represents our understanding regarding the project and supersedes all prior negotiations, representations, or agreements (written or oral). Any amendments shall be made in writing and signed by both parties.

If upon submission of this proposal, the Client fails to return a signed copy to WSP and knowingly allows WSP to proceed with the Services, such Services shall be deemed performed pursuant to the proposal and the attached Standard Terms and Conditions. By receipt and in the absence of a written declaration to the contrary, the attached "Standard Terms and Conditions" are accepted by the Client and deemed to constitute a contract between the Client and WSP for the delivery of the Services and shall be binding the same as if the proposal were fully executed.



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We trust our fees meet with your approval and look forward to working with you on this project. If we could be of further assistance, please feel free to call. We would appreciate your written confirmation for our records.

Sincerely,
WSP USA Buildings Inc.

A handwritten signature in black ink, appearing to read 'Jeffrey Smilow'.

Jeffrey Smilow, P.E., F.ASCE
Executive Vice President
USA Managing Director of Building Structures
Structures

A handwritten signature in black ink, appearing to read 'Silvain Villarroel'.

Silvain Villarroel, P.E.
Senior Vice President
Southeast Structural Director of Building

Please sign below authorizing WSP to begin work based upon the above noted fees in advance of the official contract being issued. It is understood the official contract will be prepared in consultation with the client's and WSP's attorneys as the work proceeds.

Accepted by: _____

Name _____

Date _____



STANDARD BILLING RATES

January 1, 2025 through December 31, 2025

The following describes the basis for compensation and terms of payment for all time-card related services. The hourly rates presented herein apply to services rendered during January 1, 2025 through December 31, 2025. Rates will be subject to adjustment each January 1st based on the rate of inflation. These rates incorporate all customary and mandatory contributions and benefits such as employment taxes, other statutory benefits, insurance, sick leave, holiday, vacation, pensions and similar contributions and benefits.

SERVICE PERSONNEL

| <u>Classification</u> | <u>Hourly Rate</u> |
|---|--------------------|
| Principal | \$480.00 |
| Sr. Vice President | 345.00 |
| Vice President | 290.00 |
| Sr. Associate | 250.00 |
| Associate | 230.00 |
| Senior Project Engineer | 220.00 |
| Project Engineer | 210.00 |
| Design Engineer | 200.00 |
| Designer | 175.00 |
| Sr. CAD Manager | 290.00 |
| CAD Manager | 220.00 |
| Sr. CAD Draftsperson | 170.00 |
| CAD Draftsperson | 135.00 |
| Shop Drawing Administrator | 135.00 |
| Director of Inspections (P.E.) | 250.00 |
| Qualified Parking Structures Inspector (QPSI, P.E.) | 220.00 |
| Professional Field Engineer (P.E.) | 180.00 |
| Field Engineer | 150.00 |
| Administrative & Support | 125.00 |
| Detailer | 135.00 |
| Sr. Detailer | 155.00 |
| Detailing Manager | 200.00 |
| Expert Witness Research Time | 675.00 |
| Expert Witness Depositions | 760.00 |
| Expert Witness Court Appearance | 835.00 |

OTHER DIRECT NON-SALARY EXPENSES

Reimbursable expenses will be billed at direct actual cost and will include the following items of direct non-salary expenses when incurred in connection with the project:

- Travel
- Meals and hotel accommodations.
- Reproductions of drawings, specifications, reprints, etc.
- Printed drawings.
- Long distance communications, including telecopy.
- Postage and delivery services including "Fed Ex" and other special handling.

1. Definitions

- (a). "WSP" shall mean WSP USA Buildings Inc., a New York corporation.
- (b) The "Client" shall mean the party or parties identified in the "Agreement" (as hereafter defined) as having entered into a contract with WSP.
- (c) The "Agreement" shall mean the written agreement pursuant to which WSP has agreed to perform services for the Client, whether in the form of a proposal or otherwise, including any General Conditions appended thereto or incorporated by reference therein.
- (d) The "Services" shall mean the services which WSP is to perform under the Agreement, including any "Additional Services".
- (e) The "Representative" shall mean any person or entity actually or apparently acting on behalf of the Client with respect to the "Project" (as hereinafter defined), including, without limitation, (i) employees of the Client, (ii) in the event the Client is engaged in the practice of architecture or engineering, persons employed by the person or entity which has retained the Client's services in connection with the Project, and (iii) any architect, engineer, contractor or construction manager retained by the Client, directly or indirectly.
- (f) The "Project" shall mean the design, construction, rehabilitation, or other work in connection with which WSP is providing the Services to the Client.

2. Standard of Care

In accepting this agreement for engineering services you acknowledge the inherent risks associated with construction. In performing our professional services, we will use the degree of care and skill ordinarily exercised under similar circumstances by members of the profession practicing in the same or similar locality.

3. Authorization, Acceptance or Approval of Services

- (a) Approval by any Representative of any of the Services performed by WSP, or authorization given by any Representative for WSP to perform any part of the Services or any Additional Services or to incur any Reimbursable Expenses, may be either oral or written. Such approval or authorization shall be effective, whether given before, during or after the performance of the Additional Services or the incurrence of the Reimbursable Expenses. In the event that the Agreement allocates the Services into phases, authorization given by any Representative to WSP to proceed with any phase of the Services shall be deemed to constitute acceptance and approval of all work performed by WSP in connection with the prior phase of the Services.
- (b) Successors or assigns of the Client shall be bound by approvals, authorizations or acceptances previously given by any Representative.
- (c) In the event any law, statute, ordinance, rule, regulation or order, Factory Mutual or Board of Fire Underwriters standard is adopted, revised or interpreted such that WSP is required to change, revise or supplement designs or other work performed by WSP prior to the effective date of such adoption, revision, or interpretation, any such change, revision or supplement shall be deemed to constitute an Additional Service, for which additional compensation shall be paid to WSP.

4. Non-payment

In the event that the Client fails to pay when due any invoice delivered to it by WSP, WSP shall thereupon have a lien upon all of the drawings, specifications, plans, documents or other materials or writings prepared by WSP, or at its direction, and then in its possession, and shall be entitled to withhold all such materials from the Client until such time as payment in full of the invoice is made. This lien shall be in addition to, and not in lieu of, any rights or remedies which WSP may have under the Agreement, or at law, equity or otherwise. The Client hereby releases WSP from any right pursuant to this Paragraph 5, including, without limitation, any consequential damages, lost profits, additional financing or other expenses or claims for delay in completion.

5. Termination

Failure of the Client to make payments to WSP in accordance with this Agreement shall be considered substantial nonperformance and cause for termination. If the Client fails to make payment when due WSP for services and expenses, WSP may, upon seven (7) days' written notice to the Client, suspend performance of services under this Agreement. Unless payment in full is received by WSP within seven (7) days of the date of the notice, the suspension shall take effect without further notice. In the event of a suspension of services WSP shall have no liability to the Client for delay or damage caused to the Client because of such suspension of services.

6. Indemnification

The Client shall indemnify WSP and its principals, officers and employees against any liability, claim or expense (including payment of attorneys' fees and disbursements as incurred) in connection with actions, proceedings or claims by any person or entity for monetary losses (and, to the extent permitted by law, property damages and personal injuries) alleged to have occurred in connection with the performance of the Services, unless the sole cause for all such losses, damage or injuries was negligence by WSP.

The foregoing shall not affect any rights of WSP to contribution or indemnification from Client. In addition, the Client hereby agrees that WSP, its principals, officers, agents and consultants are hereby released of and from any and all liability or responsibility (i) for the investigation, examination, testing, sampling or other review of any asbestos-containing materials which may be located in or about the project, (ii) for any work undertaken with respect to the removal, encapsulation or other treatment of any such asbestos-containing materials within the project, or (iii) for compliance with any laws, orders, rules or regulations imposed by any federal, state, city or other governmental entity, agency or instrumentality, except to the extent that WSP has expressly agreed in this agreement to undertake responsibility thereof. The Client does hereby agree to indemnify and hold harmless WSP from and against any and all liability, fines, suits, damages, losses, demands, costs and expenses of any kind or nature whatsoever incurred in connection with any claim or proceeding brought against WSP by any party and in any way related to any aspect of items (i), (ii) or (iii) of the immediately preceding sentence. Indemnification shall include the defense of any claims, suits, demands or fines arising therefrom, by counsel approved by WSP in writing that may be brought by the Client or by any third party. The foregoing provisions hereof shall survive the expiration or earlier termination of this agreement.

Client shall cause any and all Contractors, Subcontractors, Material Suppliers and other entities or persons (hereinafter "Contractor") actually responsible for construction to indemnify WSP to the extent permitted by law against risk which are not normally borne by the engineering profession in the form of AIA Document A-201 - General Conditions of the Contract for Construction (1987 Edition), Section 3.18. Client shall also cause Contractor to name WSP as an additional insured on Contractor's Comprehensive General Liability policy.

7. Arbitration

All claims, disputes or other matters in question between the Client and WSP arising out of, or relating to, the Agreement shall be decided by arbitration in accordance with the construction Industry Arbitration Rules of the American Arbitration Association unless the parties mutually agree otherwise.

8. Delays and Extensions of Time

- (a) If WSP, at any time, is prevented from, or delayed in, providing the Services by any act or omission by the Client, any of its Representatives, the architect for the Project, or any employee of or contractor for any of the foregoing, or by changes ordered in the Services, or by labor disputes, governmental entities, fire, unusual delay in transportation, adverse weather conditions not reasonably foreseeable, unavoidable casualties, or any cause beyond WSP's control, or by delay authorized by the Client (or its Representative) pending arbitration, or by any other cause which WSP reasonably determines may justify the delay, then (i) WSP may, on notice to the Client, extend the term of the Agreement for such reasonable time as WSP may determine, and (ii) the payments to be made to WSP for each phase of the Services or for any Additional Services shall be increased by 1% for each additional thirty-day period (or part thereof) added to the original term of the Agreement.
- (b) In the event that the Client does not commence and thereafter continue the Project in accordance with the time schedule described in the Agreement or described by the Client to WSP prior to entering into the Agreement, or otherwise prevents WSP from performing any phase of the Services in accordance with such time schedule, WSP may, at its option, (i) exercise its rights pursuant to Subparagraph 8(a) hereof, or (ii) terminate the Agreement without incurring any liability to the Client for such termination, in which event the Client shall pay for all Services performed, in whole or in part, by WSP prior to termination, at the contract price established in the Agreement.

(c) The remedies described in Subparagraphs 8(a) and 8(b) shall be in addition to, and not in lieu of, any rights or remedies which WSP may have under this Agreement, or at law, equity or otherwise.

- (d) If the Project is suspended by the Client for more than 90 consecutive days, WSP shall be compensated for services performed prior to notice of such suspension. If the Project is resumed, WSP's compensation shall be equitably adjusted to provide for increased cost and expenses incurred in the interruption and resumption of WSP's services.

9. Adequacy of the Funding for the Project

The Client represents and warrants that it has secured, or will secure in a timely fashion, funding adequate to commence and to complete the Project, within the time schedule referred to in the Agreement or described to WSP prior to entering into the Agreement. Cancellation or revision of the Project as a result of the Client's failure to secure funding in a timely fashion or any other reason shall not, in any event, permit the Client to terminate the Agreement or excuse the Client from performing its obligations to WSP in a timely manner.

10. Certain Limitations on Responsibility

WSP does not assume responsibility for construction means, methods, techniques, sequence or procedures, or for safety precautions and programs in connection with the work. WSP does not assume responsibility for the contractors' failure to carry out the work in accordance with the contract requirements or for stopping the work in the event of such failure. WSP's review of the contractors' performance is not intended to include review of the adequacy of safety measures, in, on or near the construction site. WSP is responsible for design only and is not liable for unsatisfactory performance of the mechanical and electrical systems resulting from code constraints, improper installation, operation and maintenance.

11. Verification of Existing Conditions

Inasmuch as the remodeling and/or rehabilitation of the existing structure requires that certain assumptions be made by WSP regarding existing conditions, and because some of these assumptions may not be verifiable without the Client's expending substantial sums of money or destroying otherwise adequate or serviceable portions of the structure, the Client agrees, to the fullest extent permitted by law, to indemnify and hold harmless WSP, its officers, directors, employees and sub-consultants (collectively, WSP) against all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, arising out of or in any way connected with this Project, excepting only those damages, liabilities or costs attributable to the sole negligence and willful misconduct by WSP.

12. Information Provided by Others

The Client shall furnish, at the Client's expense, all information, requirements, reports, data, surveys and instructions required by this Agreement. WSP may use such information, requirements, reports, data, surveys and instructions in performing its services and is entitled to rely upon the accuracy and completeness thereof. WSP shall not be held responsible for any errors or omissions that may arise as a result of erroneous or incomplete information provided by the Client and/or the Client's consultants and contractors.

13. Ownership and Work Product

All reports, drawings, specifications, computer files, field data, notes and other documents and instruments prepared by WSP as instruments of service shall remain the property of WSP. WSP shall retain all common law, statutory and other reserved rights, including, without limitation, the copyrights thereto, whether the project for which they are intended is executed or not. They are not to be used by anyone on other projects except by written agreement with WSP. The drawings may be deposited in the Client's file with the other drawings for the project.

14. Inconsistent Provisions: Changes in the Terms Hereof

(a) Notwithstanding any inconsistent provisions in any Agreement (including any AIA form contract or general conditions annexed thereto) between WSP and the Client, the provisions hereof shall be controlling; provided, however, that the final written proposal, if any, as submitted by WSP to the Client or any handwritten or typewritten inserts or riders made or approved by WSP to the printed contract for General Conditions, if any, annexed to such proposal shall supersede any inconsistent provisions hereof.

(b) Execution of the Agreement by the Client shall be deemed an acceptance of each and every term of the Agreement and of these Standard Terms and Conditions. All provisions of the Agreement and these Standard Terms and Conditions, in the form and with the contents as submitted by WSP to the Client, shall be binding contractual obligations of the Client, and may be modified, changed or waived only with the specific written consent of WSP. In the event that the Client, without the written consent of WSP, modifies or deletes any provision (or part of any provision) of the Agreement or these Standard Terms and Conditions, such provision (or part thereof) in the form and with the contents as submitted by WSP to the Client shall nonetheless be deemed to constitute a term of the contract between WSP and the Client.

15. Limitation of Liability

In recognition of the relative risks and benefits of the Project to both the Client and WSP, the risks have been allocated such that the Client agrees, to the fullest extent permitted by law, to limit the liability of WSP and WSP's officers, directors, partners, employees, shareholders, owners and sub-consultants for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert-witness fees and costs, so that the total aggregate liability of WSP and WSP's officers, directors, partners, employees, shareholders, owners and sub-consultants shall be limited to the amount of our fee or the limits of professional liability insurance provided in the insurance certificate, whichever is less. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.

Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, neither the Client nor WSP, their respective officers, directors, partners, employees, contractors or sub-consultants shall be liable to the other or

shall make any claim for any incidental, indirect or consequential damages arising out of or connected in any way to the Project or to this Agreement. This mutual waiver of consequential damages shall include, but is not limited to, loss of use, loss of profit, loss of business, loss of income, loss of reputation and any other consequential damages that either party may have incurred from any cause of action including negligence, strict liability, breach of contract and breach of strict or implied warranty. Both the Client and WSP shall require similar waivers of consequential damages protecting all the entities or persons named herein in all contracts and subcontracts with others involved in this project.

16. Terrorist Acts (in general)

In addition to other commercial risks, WSP makes no claims that its design or other professional services are intended to prevent or survive acts of terrorism, war, or civil unrest.

17. Assignment

Neither party to this Agreement shall transfer, sublet or assign any rights or duties under or interest in this Agreement, including but not limited to monies that are due or monies that may be due, without the prior written consent of the other party. Subcontracting to sub-consultants, normally contemplated by WSP as a generally accepted business practice, shall not be considered an assignment for purposes of this Agreement.

18. Interest on Past Due Invoices

WSP's policy requires monthly payments for professional services and expenses in proportion to the progress of our work. In addition to any other remedies available to it, WSP reserves the right to charge interest at the rate of one-and-one-half (1.5) percent per month (18% per annum) or the maximum rate allowed by law, whichever is less, of the outstanding balance. In the event WSP files suit to enforce overdue payments, Client will reimburse all court costs and reasonable attorneys' fees.

19. Controlled Inspection or Full-Time Project Representation Services

If included in WSP's Scope of Services, shall mean that WSP shall endeavor to provide further protection for the Client against defects in structural work, but the furnishing of such controlled inspection or full-time project representation services shall not make WSP responsible for construction means, methods, techniques, sequences or procedures, or auctions and programs. WSP shall not have control or charge of and shall not be responsible for the acts or omissions of the Contractor, Subcontractors or any other persons performing any of the work, or for the failure of any of them to carry out the work in accordance with the Contract Documents.

20. Review of shop drawing submittals

If included in WSP's Scope of Services, is not conducted for the purpose of determining the accuracy and completeness of details such as dimensions and quantities or for substantiating instructions for installation or performance of equipment or systems designed by the Contractor, all of which remain the responsibility of the Contractor to the extent required by the Contract Documents. WSP's review shall not constitute approval of safety precautions or of construction means, methods, techniques, or sequences of procedures. WSP's approval of a specific item shall not indicate approval of an assembly of which the item is a component. When professional certification of performance characteristic of materials, systems or equipment is required by the Contract Documents, WSP shall be entitled to rely upon such certification to establish that the materials, systems or equipment will meet the performance criteria required by the Contract Documents.

21. Standard Condition Terms Survival

If any of WSP's Standard Conditions, or portions thereof, shall be adjudged null and void, it is agreed that the remaining Standard Conditions, or portions thereof, shall remain intact and be given full force and effect.

22. State Law Governing Agreement

This agreement shall be governed by and construed in accordance with the State of Florida.