

MASA FUJIOKA & ASSOCIATES
Environmental • Geotechnical • Hydrogeological Consultants

98-021 Kamehameha Highway, Suite 337 • Aiea, Hawaii 96701-4914
Telephone: (808) 484-5366 • Facsimile: (808) 484-0007

January 3, 2018
Hawaii Ocean Plaza L.P.
1585 Kapiolani Blvd., Suite 1215
Honolulu, HI 96814

Attn: Jay Fang
emailEb5jay@gmail.com

Subject: **Additional Scope and Fee Proposal**
 Geotechnical Engineering Services
 Hawaii Ocean Plaza
 1362, 1370 and 1374 Kapiolani Blvd.
 Honolulu, O‘ahu, Hawai‘i

Masa Fujioka and Associates (MFA) are pleased to submit this proposal for additional geotechnical engineering services for the subject project. Based on our meeting with you and the structural engineer, we recommend that shear wave velocity testing be performed. We have been informed that the test could be conducted as early as next week with authorization of this proposal.

SCOPE OF WORK

A. Geotechnical Services

1. Shear Wave Velocity Testing

MFA and a subcontractor would perform shear wave velocity testing on the site, prior to site improvement activities. Depending upon the results additional shear wave velocity testing may be conducted following site improvement activities.

2. Site Improvement

Per discussions, we recommend that site improvement be conducted consisting of vibratory compaction of the lagoonal deposits encountered at the site within the upper 20 feet. Based on findings to date, vibratory compaction of the site would mitigate the liquefaction potential of the lagoonal deposits and would enable use of a higher seismic site class, with the site class anticipated to be either site class C or D, to be determined by seismic shear wave velocity testing.

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MFA would develop a plan for the vibratory site improvement activities including preliminary vibratory compaction work to evaluate required distances from adjacent structures to minimize potential damage to structures from the vibratory compaction work.

MFA would assist in obtaining a contractor to perform the vibratory compaction and would supervise and monitor the vibratory compaction work.

3. Engineering Analysis and Geotechnical Report

Based on the prior data review, geotechnical investigation, sampling, and lab testing, and based on the results of the site improvement work, we would prepare a geotechnical report including and recommendations for design.

4. Geotechnical Consultation during Design

We would provide design consultation to the project structural and civil designers as requested, including clarification of our geotechnical recommendations and addressing additional geotechnical design issues that may arise.

5. Construction Monitoring and Consultation during Construction

During construction, we would be available for construction monitoring and consultation as requested on a time and expense basis.

ASSUMPTIONS

1. A geophysical survey will be conducted to check for subsurface utilities prior to the vibratory compaction work, and MFA will utilize Hawaii One Call for utility clearance.
2. Preliminary vibratory compaction would be conducted to check for and develop relatively safe distances for vibratory compaction based on measured ground settlements versus distance during initial vibratory compaction conducted within the approximate center areas of the site.

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3. Despite the above precautions, it is possible that some damage to adjacent structures may occur or that claims of damage would be made. MFA cannot assume liability of damages to adjacent structures. We anticipate that damage to and repair of adjacent sidewalk and pavement areas will occur.

Existing utilities within the building structure site may be damaged by the site improvement vibratory compaction and resultant settlements. We request that any active sewer, water or electrical utilities within the building structure site be deactivated or removed prior to the vibration compaction activities.

FEES

We propose to perform the above scope of work for fees based on our standard Schedule of Charges, attached.

For items 1 and 2, we estimate additional fees of approximately \$20,000, with the costs for the contractor performing site improvement work to be contracted directly by Hawaii Ocean Plaza, L.P. If an additional shear wave velocity test is recommended for performance following the site improvement work, we anticipate an additional fee of approximately \$10,000.

Item 3 is covered under our original proposal.

Items 4 and 5 are also discussed in our original proposal and would be on a time and expense basis.

CONDITIONS

Our services would be performed in accordance with the General Conditions, attached. We call attention to our limits on professional liability, which can be increased at your request and agreement to apply an additional fee of 0.3% of the increase. If our services are authorized without your request of higher liability limits, the standard limits of liability set forth in the General Conditions will apply.

MFA requires indemnification for professional and environmental liability associated with encountering subsurface utilities or buried objects.

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This proposal is valid for 60 days. Should authorization be delayed, we request that we be allowed to review our proposed fee.

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It has been our pleasure to prepare this proposal for you. Please contact the undersigned if there are any questions regarding this proposal.

Respectfully submitted,

MASA FUJIOKA & ASSOCIATES



Masanobu R. Fujioka, P.E.
Managing Principal

MRF/ecl

Attachments: Standard Schedule of Charges
 General Conditions

PROPOSAL ACCEPTED BY:

Signature

Name

Firm

Date



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SCHEDULE OF CHARGES

The compensation to Masa Fujioka & Associates for our professional services is based upon and measured by the following elements, which are computed as set below.

1.0 PERSONNEL CHARGES

1.1 Personnel charges are based on compensation and experience level.

Personnel, per hour

Principal-In-Charge	\$195
Associates	\$160
Senior Personnel	\$130
Project Engineers	\$110
Staff Engineers & Geologists	\$100
Senior Field and Lab Technicians	\$ 90
Field and Lab Technicians	\$ 80
Clerical/Administrative	\$ 80

Above rates may be periodically adjusted due to salary adjustments.

2.0 EQUIPMENT CHARGES

Automotive

Vehicle, per day	\$ 80
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Soil and Water

Sample rings and containers, per sample	\$ 12
Nuclear Density, per day	\$ 80

Miscellaneous

Because of the varied nature of equipment, location and use, these rates will be quoted as required.

3.0 OTHER SERVICES AND SUPPLIES

3.1 Charges for services, equipment and facilities not furnished directly by Masa Fujioka and Associates, and any unusual items of expense not customarily incurred in our normal operations, are computed as follows: Cost plus 15%.

3.2 Hawaii General Excise Tax shall be applied as applicable.



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STANDARD GENERAL CONDITIONS

1.0 BILLING AND PAYMENT SCHEDULE

1.1 Invoices will be issued monthly, payable upon receipt, unless otherwise agreed.

1.2 Interest of 1.5% per month (but not exceeding the maximum rate allowable by law) will be payable on any amounts not paid within 30 days, payment thereafter to be applied first to accrued interest and then to the principal unpaid amount. Any attorney's fees or other costs incurred in collecting any delinquent amount shall be paid by the Client.

1.3 The Client agrees that Masa Fujioka & Associates has the right to suspend or terminate service if undisputed charges are not paid within 45 days of receipt of Masa Fujioka & Associates' invoice, and Client agrees to waive any claim against Masa Fujioka & Associates, and to indemnify, defend, and hold Masa Fujioka & Associates harmless from and against any claims arising from Masa Fujioka & Associates' suspension or termination due to Client's failure to provide timely payment. Client recognizes that any charges not paid within 30 days are subject to a late payment charge equivalent to 1.5 percent of the balance due for each additional month or fraction thereof that undisputed charges remain unpaid. Any charges held to be in dispute shall be called to Masa Fujioka & Associates' attention within ten days of receipt of Masa Fujioka & Associates' invoice.

2.0 WARRANTY AND LIABILITY

2.1 Masa Fujioka & Associates' services are normally performed, within the limits prescribed by its Clients, with the usual thoroughness and competence of the consulting profession, in accordance with the standard for professional services at the time those services are rendered. No warranty or other representation, either expressed or implied, is included or intended in its proposals, contracts, or reports.

2.2 Masa Fujioka & Associates' liability shall be limited to injury or loss caused by the negligence of Masa Fujioka & Associates, its subcontractors, and/or agents hereunder.

2.3 Masa Fujioka & Associates' liability for injury or loss arising from (1) professional errors or omissions and/or (2) any toxic, irritant, pollutant, or waste gases, liquids, or solid materials shall not exceed \$100,000.

2.4 Masa Fujioka & Associates' comprehensive general and automobile liability shall not exceed \$500,000.

2.5 The Client agrees to defend, indemnify, and hold Masa Fujioka & Associates harmless from any claim, liability, or defense cost in excess of the limits determined above for injury or loss sustained by any party from exposures allegedly caused by Masa Fujioka & Associates' performance of services hereunder. This indemnification does not apply to injury or loss caused solely by the negligence or willful misconduct of Masa Fujioka & Associates.

2.6 In the event the Client makes a claim against Masa Fujioka & Associates, at law or otherwise, for any alleged error, omission or other act arising out of the performance of its professional services, and to the extent the Client fails to prove such claim, then the Client shall pay all costs, including attorney's fees, incurred by Masa Fujioka & Associates in defending itself against the claim.