



LETSON ENTERPRISES INC.
GENERAL BUILDING CONTRACTORS
BOX 2782 STEAMBOAT, CO 80477
PHONE (970) 879-3366

**T & M/ COST PLUS
PROPOSAL FOR CONSTRUCTION SERVICES**

This Cost Plus/Time & Material proposal is submitted by Letson Enterprises Incorporated (L.E.I.), the General Contractor, to Après Ski Condominium HOA, for construction services described in the Scope of Work below. This proposal is made this day, June 2, 2010 and is an offer for services. If this Proposal is returned to the Contractor on or before ten days from the date shown above, then this Proposal shall become a binding contract between the Owner and the General Contractor.

Estimated construction cost:	\$110,604.03
Construction Contingency:	By Owner
General Contractors Fee (8%):	<u>\$ 8,848.32</u>
Total Estimated Price:	\$119,452.36

Scope of Work. L.E.I. proposes to provide all necessary labor, material, and equipment to remove the existing wood siding and replace with Stucco at siding, fascia & soffit. L.E.I. will also provide new trex decking and wall cap at (4) 4'x13' porches. Painting exterior doors and repaint stairway included. Remove and install new doors and windows. Remove and replace interior trim at doors and windows at the Après Ski Condominium located 2610 Après Ski Way, Steamboat Springs, Colorado. Roofing and porch waterproofing provided by Kirk Jones.

Schedule The schedule is based on 6-7 weeks. Kirk Jones' scope has not been incorporated into that time frame.

The work included is not shown on any plans but the scope of work is called out as follows:

General Conditions including: Project Management, Organization, protect existing work and provide daily clean-up.

LEI will make every attempt to carefully remove and replace all items as mentioned above to minimize any damage. If any materials are damaged by accident Letson Enterprises will not be held responsible. Letson will be billing for cost of materials and labor according to this contract. The total estimate known cost for this project is One hundred nineteen thousand four hundred fifty-two dollars and thirty-six cents (\$119,452.36).

No carpentry labor or subcontractors will be supplied by the Owner during construction unless specifically agreed to in writing. No Letson Enterprises employee or subcontractor is to be hired by the Owner for any purpose. All labor and materials installed by L.E.I. at the site shall be supplied by L.E.I. or their Subcontractors. Any items including labor, material, equipment and/or sub-contractors work supplied by L.E.I. will be supplied at cost plus 8%.

Owners Obligations Owner agrees to pay monthly billings, within ten days of the date billed by Contractor. In addition, the Owner agrees to answer any questions in a timely manner. Kirk Jones will be the single point contact for communication during construction. For the limited purpose of construction in accordance with this Contract, the Owner will provide access and possession of the site to the Contractor on or before July 1, 2010. Upon the request of the Contractor the Owner will provide verification of funds to complete the project.

Changes to Scope of Work Owner may make changes to the work and said changes shall become a valid part of this contract.

Delays Time is of the essence. If the Owner delays LEI, the Contractor has the option of remaining on the job or of leaving the site. If the Contractor remains on the site, the owner shall be liable to the Contractor for time spent.

If L.E.I. chooses to treat the Contract as terminated, it shall not be responsible for any costs incurred by Owner or Owners Contractors in completing the work.

Insurance Owner shall maintain property insurance of the site and the project for its full insurable value. This insurance shall insure "all risks" of physical loss and damage of any kind and shall include the interests of any bank or mortgage holder. The Owner recognizes the inherent liability and danger involved in construction and releases the Contractor from all liability or damages relating to the Owner's or tenants being on the project.

Letson Enterprises Inc. shall maintain liability, workman's compensation insurance and unemployment insurance for the Contractor's employees working on the project.

Hourly Rates Work described in the Scope of Work is billed at the following rates: Project Manager (Jamie) at \$70.00, Production Estimating (Duane, Myra) at \$50.00 per hour, Leadman (Jim) at \$50.00 per hour, Journeyman Carpenter (Topher) at \$40.00 per hour and Laborer at \$40.00 per hour. Overtime will be billed at time and one-half. All material, labor, equipment rental and subcontractors shall be marked up a cost plus eight percent (8%). For any changes or extra work on the project, the use of Letson's owned non-expendable small tools, valued at less than \$500.00 per tool, the Owners pay a rate included in the hourly labor rate. For the use of Letson's owned equipment and tools valued at more than \$500.00 per item, the Owner will pay rental rates on the time the items are being used on the job site, with rental rates not exceeding those charged by local rental companies. If the daily rate charge exceeds the weekly rate, Owner will be charged the weekly rate. If the weekly rate charge exceeds the monthly rate Owner will be charged the monthly rate. Rental rates are provided on the next page. By signing this contract, Owner agrees to pay these rates.

Disputes Disputes between the parties to this contract shall be resolved by arbitration according to the Better Business Bureau. Any award shall include reasonable attorneys' fees, costs of collection and interest at 20% per annum.

Governing Law This Contract shall be governed and construed according to the law of the State of Colorado.

Breach If the Owner breaches this Contract, L.E.I. shall be entitled to cease work on the project

and to remove Contractor's equipment, and materials not yet installed. The Contractor shall be entitled to treat the Contract as terminated and shall not incur liability to the Owner for costs incurred by Owner in completing the work. The Owner shall pay the Contractor for work completed or in progress, and any proven loss with respect to materials, equipment and machinery as well as reasonable profit. If the Contractor breaches this Contract, Owner may terminate the Contract, withhold payments for any work that constitutes a breach or both. Failure of the Contractor or Owner to terminate this Contract for one breach does not constitute a waiver of the right to terminate or enforce other rights herein.

Headings The headings are for information purposes and are not binding or restrictive.

Letson Enterprises, Inc.

Date

Owner

Date

CONTRACT EXHIBIT B

Letson Enterprises, Inc.

RENTAL RATES FOR CONTRACTOR OWNED EQUIPMENT

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Note that the following rates apply only to Contractor-owned equipment

Description	Daily	Weekly	Monthly
Office Trailer	n/a	\$140.00	\$505.00
Pickup Truck	n/a	134.00	200.00
4wd Forklift	200.00	750.00	3,000.00
Forklift Manbucket and accessories	50.00	175.00	525.00
Level/transit/pls	21.00	84.00	251.00
Transit	25.00	102.00	308.00
Blankets	.03/SF	.13/SF	.39/SF
Cutting Torch	22.00	80.00	240.00
Scaffolding per section	15.00	60.00	178.00
Scaffolding Broadwalks	4.00	8.00	15.00
Large Hammer Drill Bosch SDS	52.00	156.00	468.00
½" Hammer Drill TE22	28.00	84.00	252.00
Table Saw	5.00	25.00	50.00
Compound Slide Saw	5.00	25.00	50.00
Beam Saw	5.00	25.00	100.00
Concrete Gas Demo Saw	48.00	170.00	504.00
Joiner	22.00	66.00	198.00
Planer	21.00	85.00	255.00
Table Sander	21.00	85.00	255.00
Storage Trailer	n/a	70.00	224.00
Bobcat 753 Loader	131.00	525.00	1,575.00
Portable Air Compressor	5.00	25.00	100.00
Welder Generator 150	45.00	180.00	540.00
Form Turnbuckles	n/a	1.00	1.75
Scaffold Brackets	n/a	1.59	4.77
Scaffold Boardwalks	3.60	7.60	15.20
Safety Sawhorse	0.75	n/a	n/a
Heaters - 250,000 BTU	10.00	44.00	132.00
Heaters - 400,000 BTU	45.00	135.00	400.00
Heaters - 750,000 BTU	n/a	350.00	1,030.00
Natural Gas Heater Hose	n/a	50.00	200.00
Dewatering Pump	46.00	184.00	552.00
Walkie Talkie (per ea.)	8.00	32.00	96.00
Large Gang Box	4.00	13.00	44.00
Rebar Cutter/Bender	24.00	96.00	288.00
Air Nailer/Framing	3.00	12.00	36.00
Air Nailer/Stapler, Trim	2.00	8.00	24.00
Welding Machine (200 Amp)	45.00	180.00	540.00
Electric Chipping Hammer	45.00	180.00	540.00
Pallet Jack	25.00	100.00	300.00
Gas Demolition Saw	48.00	170.00	504.00
Flatbed Trailer	55.00	165.00	495.00
Chain Mortise	10.00	50.00	200.00

The above rental rates do not include fuel, minor repairs or maintenance costs.

CONTRACT EXHIBIT C

LETSON ENTERPRISES, INC.

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List of Non-Expendable Small Hand Tools:

(For the use of Letson Enterprises, Inc.'s owned non-expendable small tools, whose initial purchase price is less than \$500.00 per tool, the Owner is charged five percent of Letson's labor costs, which is included in our hourly rate.) No addition charge will be made for these items.

Air Hose
Band Saws
Bolt Cutters
Bolt Pouches
Boots
Cabinet Clamps
Chain Saws
Come-a-Longs
Drum Pumps
Drum Stands
Extension Cords
Fire Extinguishers
Form Scrapers
Gas Cans
Hammers
Hand Level - 3' or Smaller
Hand Level - 4' and Larger
Hard Hats
Hilti Drills (small light duty)
Hinge Templates
Hose, Fire
Jigsaws
Knee Protectors
Ladders
Large Fans
Lockjigs
Miter Boxes
Mop Bucket
Ramset Gun
Reel & Tapes (200' and Larger)
Regulators
Right Grinders
Routers
Safety Belts
Sanders - Handheld
Sawzall
Scaffold Castors
Screw Guns
Skill Saws
Sledge Hammers
Spud Bars
Squeegee
Stake Puller Steel Stakes
Vacuum Cleaner
Water Cans
Water Hose
Wheel Barrow
End of Non-Expendable Small Hand Tools

CONTRACT EXHIBIT C

Revised July, 2000

LETSON ENTERPRISES, INC.

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List of Expendable Materials & Expendable Small Hand Tools:

(Cost Charges in Full to the Owner for all Expendable Materials and Expendable Small Hand Tools.)

Axes
Batteries (Radio, Laser, Flashlight, etc.)
Brooms
Cables
Cable Clamps
Caulking guns
Caulk
Cleaning Materials
Drill Bits
Ear Plugs
Form Plywood
Form Lumber
Gloves
Glue Guns
Goggles
Grinding Wheels
Hand Floats
Layout and Field Engineering Materials
Lumber Crayons
Mop Heads
Nails & Fasteners
Nail Bars
Field Office Materials
Padlocks
Paper Cups
Pencils
Picks
Pins & Loads
Rages
Rakes
Respirators
Ropes
Rubber Floats
Rubber Gloves
Rubbing Stones
Safety materials
Sandpaper
Saw Blades
Shovels
Spray Cans
Staples
Steels for Jackhammer & Chipping Hammer
String Line Tape Measure
Toe protectors
Trowel Blades
Welding Gloves, Sleeves
Welding Hoods
Wire Brushes
Wire Wheels

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Form Lumber
Gloves
Glue Guns
Goggles
Grinding Wheels
Hand Floats
Layout and Field Engineering Materials
Lumber Crayons
Mop Heads
Nails & Fasteners
Nail Bars
Field Office Materials
Padlocks
Paper Cups
Pencils
Picks
Pins & Loads
Rages
Rakes
Respirators
Ropes
Rubber Floats
Rubber Gloves
Rubbing Stones
Safety materials
Sandpaper
Saw Blades
Shovels
Spray Cans
Staples
Steels for Jackhammer & Chipping Hammer
String Line Tape Measure
Toe protectors
Trowel Blades
Welding Gloves, Sleeves
Welding Hoods
Wire Brushes
Wire Wheels