



January 8, 2007



A. J. Johnson
City Administrator
City of Muscatine
215 Sycamore
Muscatine, Iowa 52761-3840

MUSCATINE, IOWA
ANNEXATION CONSULTATION
PROPOSAL FOR PROFESSIONAL SERVICES

In response to your request this letter is to present Veenstra & Kimm, Inc.' proposal to provide professional services to the City of Muscatine relating to the City's evaluation of annexation procedures and strategies.

The work would consist of consultation services to assist the City of Muscatine as it reviews the procedures for annexation and the areas that may be considered appropriate for annexation. Services under this agreement would be provided on an as-requested basis.

The intent of the agreement is to provide professional services to assist the City as it undertakes the process of procedural and substantive evaluation of potential annexation. The scope of services is intended to be flexible and readily adaptable to the requirements of the City.

Services under this agreement would include, but not necessarily be limited to, such activities as

- Review of annexation procedures with City staff and City Council.
- Preparation of cost benefit analysis for potential annexation areas.
- Identification of the advantages and disadvantages of potential annexation areas.
- Evaluation of potential annexation areas.
- General consultation with City staff and City Council concerning annexation procedures and strategies.

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Work under this agreement would be undertaken on an hourly fee basis. The work under this agreement would be provided by the writer at an hourly rate of \$110 per hour. Work under the agreement would include reimbursement of direct expenses.

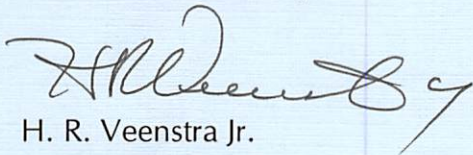
In recognition of the uncertainty of the scope of services, Veenstra & Kimm, Inc. would propose this agreement be based on approximately 40 hours of service consultation plus reimbursement of direct expenses. The maximum fee under this agreement would not exceed \$4,700.

If during the performance of the services under this agreement it is mutually determined the scope of services should be modified to include time beyond the estimated 40 hours, this agreement may be amended by a subsequent agreement to adjust the number of hours of consultation and fee for service on the same basis as provided in this agreement.

This letter may be made an agreement upon your acceptance by affixing the proper signature and date in the spaces below and returning one copy to our office.

If you have any questions or comments concerning the project, please contact us at 225-8000.

VEENSTRA & KIMM, INC.



H. R. Veenstra Jr.

Accepted this 1st day of February, 2007.

CITY OF MUSCATINE, IOWA

By 