

Contract for Professional Architectural and Engineering Services

W.O. 11-08 WTF HSPS 2011 Transfer Pump Replacement

In consideration of the mutual promises herein, City of Billings and HDR Engineering, Inc. agree as follows. This Contract consists of:

Part I, consisting of 15 Sections of Special Provisions;

Part II, consisting of 11 Sections of General Provisions;

Appendix A consisting of 4 pages (Basic Services of Consultant);

Appendix B consisting of 1 pages (Methods and Times of Payment);

Appendix C consisting of 1 pages (Additional Services of Consultant);

Appendix D consisting of 1 pages (Schedule of Professional Fees);

Appendix E consisting of 1 pages (Project Schedule);

Appendix F consisting of 2 pages (Certificate(s) of Insurance); and

PART I SPECIAL PROVISIONS

Section 1. Definitions.

In this Contract:

- A. "Administrator" means the City Engineer of the Engineering Division of the Public Works Department or his designee.
- B. "Billings" means the City of Billings.
- C. "Consultant" means HDR Engineering, Inc.

Section 2. Scope of Services.

- A. The Consultant shall perform professional services in accordance with Appendix A, which is attached hereto and incorporated in this Section by reference.
- B. Billings shall pay the Consultant in accordance with Section 4.
- C. Billings shall not allow any claim for services other than those described in this Section. However, the Consultant may provide, at its own expense, any other services that are consistent with this Contract.

- D. The Consultant shall provide hard copy as-built drawings and in digital pdf and Autocad format, as approved by the City of Billings, to the Administrator within 30 days after the project completion date. Final payment will be withheld until the as-built drawings are received by the City of Billings.
- E. The Consultant shall provide certified construction payrolls to the Administrator stating in writing that the payrolls have been reviewed and are acceptable.

Section 3. Time for Performance.

- A. This Contract becomes effective when signed on behalf of Billings.
- B. The Consultant shall commence performance of the Work described in Section 2 on receipt of written Notice to Proceed and complete that performance in accordance with the schedule set forth in Appendix E.
- C. This Contract shall terminate at midnight on December 31, 2012.

Section 4. Compensation; Method of Payment.

- A. Subject to the Contractor's satisfactory performance, Billings shall pay the Contractor no more than Seventy One Thousand Nine Hundred and no/100 dollars (\$71,900.00) in accordance with this Section and Appendix B.
- B. Each month, or at the conclusion of each phase of the Work for which payment is due, as negotiated on a per-task basis, the Consultant shall present a bill to the Administrator describing the Work for which it seeks payment and documenting expenses and fees to the satisfaction of the Administrator. If any payment is withheld because the Consultant's performance is unsatisfactory, the Administrator must, within ten (10) days of the payment denial, notify the Consultant of the payment denial and set forth, with reasonable specificity, what was unsatisfactory and why. Billings will pay Contractor for all services provided not under dispute in the invoice. Billings will pay Consultant within 30 days of receiving an acceptable invoice.

Section 5. Termination of the Consultant's Services.

The Consultant's services under Section 2 of this Part may be terminated:

- A. By mutual consent of the parties.
- B. For the convenience of Billings, provided that Billings notifies the Consultant in writing of its intent to terminate under this paragraph at least 10 days prior to the effective date of the termination.
- C. For cause, by either party where the other party fails in any material way to perform its obligations under this Contract. Termination under this Subsection is subject to the condition that the terminating party notifies the other party of its intent to terminate, stating with reasonable specificity the grounds therefor, and the other party fails to cure the default within 30 days after receiving the notice.

Section 6. Duties Upon Termination

- A. If Billings terminates the Consultant's services for convenience, Billings shall pay the Consultant for its actual costs reasonably incurred in performing before

termination and Billings shall pay for services rendered prior to termination. Payment under this Subsection shall never exceed the total compensation allowable under Section 4 of this Part. All finished and unfinished documents and materials prepared by the Consultant shall become the property of Billings.

- B. If the Consultant's services are terminated for cause, Billings shall pay the Consultant the reasonable value of the services satisfactorily rendered prior to termination, less any damages suffered by Billings because of the Consultant's failure to perform satisfactorily. The reasonable value of the services rendered shall never exceed ninety percent (90%) of the total compensation allowable under Section 4 of this Part. Any finished or unfinished documents or materials prepared by the Consultant under this Contract shall become the property of Billings at its option.
- C. If the Consultant receives payments exceeding the amount to which it is entitled under Subsections A or B of this Section, he shall remit the excess to the Administrator within 30 days of receiving notice to do so.
- D. The Consultant shall not be entitled to any compensation under this Section until the Consultant has delivered to the Administrator all documents, records, Work product, materials and equipment owned by Billings and any Deliverables prepared by the Contractor as defined in the Scope of Services and requested by the Administrator.
- E. If the Consultant's services are terminated for whatever reason the Consultant shall not claim any compensation under this Contract, other than that allowed under this Section.
- F. If a final audit has not been performed before the Consultant's services are terminated, Billings may recover any payments for costs disallowed as a result of the final audit.
- G. Except as provided in this Section, termination of the Consultant's services under Section 5 of this Part does not affect any other right or obligation of a party under this Contract.

Section 7. Insurance.

- A. The Consultant shall maintain in good standing the insurance described in Subsection B of this Section. Before rendering any services under this Contract, the Consultant shall furnish the Administrator with proof of insurance in accordance with Subsection B of this Section.
- B. The Consultant shall provide the following insurance:
 - 1. Workers' compensation and employer's liability coverage as required by Montana law.
 - 2. Commercial general liability, including contractual and personal injury coverage's -- \$1,500,000 per occurrence.
 - 3. Commercial automobile liability -- \$500,000 per accident.
 - 4. Professional liability in the amount of \$1,500,000 per claim.
- C. Each policy of insurance required by this Section shall provide for no less than 30 days' advance notice to Billings prior to cancellation.

- D. Billings SHALL be listed as an additional insured on all policies except Professional Liability and Worker's Compensation Policies. In addition, all policies except Professional Liability and Worker's Compensation shall contain a waiver of subrogation against Billings.

Section 8. Assignments.

Unless otherwise allowed by this Contract or in writing by the Administrator, any assignment by the Consultant of its interest in any part of this Contract or any delegation of duties under this Contract shall be void, and an attempt by the Consultant to assign any part of its interest or delegate duties under this Contract shall give Billings the right immediately to terminate this Contract without any liability for Work performed.

Section 9. Ownership; Publication, Reproduction and Use of Material.

- A. Except as otherwise provided herein, all data, documents and materials as defined as Deliverables in the Scope of Services and produced by the Consultant under this Contract shall be the property of Billings, which shall retain the non-exclusive right to publish, disclose, distribute and otherwise use, in whole or in part, any such data, documents, or other materials. Exclusive rights shall not be attributed to portions of such materials presently in the public domain or which are not subject to copyright. Consultant shall retain rights to pre-existing proprietary property including but not limited to interactive models. The Consultant shall have the right to include photographic or artistic representations of the design and construction of the Project among the Consultant's promotional and professional materials. The Consultant's materials shall not include Billings' confidential or proprietary information regardless of whether Billings has previously advised the Consultant in writing of the specific information considered by Billings to be confidential and proprietary.
- B. Equipment purchased by the Consultant with Contract funds: See Appendix A, Section 3. Scope of Work.
- C. Should Billings elect to reuse Deliverables provided under this Contract for other than the original project and/or purpose, Billings will indemnify and hold harmless the Consultant from any and all claims, demands and causes of action of any kind or character arising as a result of reusing the Deliverables developed under this contract. Additionally, any reuse of design drawings or specifications provided under this Contract must be limited to conceptual or preliminary use for adaptation, and the original Consultant's or subconsultant's signature, professional seals and dates removed. Such reuse of drawings and specifications, which require professional seals and dates removed, will be signed, sealed, and dated by the professional who is in direct supervisory control and responsible for adaptation.

Section 10. Notices.

Any notice required pertaining to the subject matter of this Contract shall be either sent via facsimile (FAX), e-mail, or mailed by prepaid first class registered or certified mail, return receipt requested to the following addresses:

Billings: Travis Harris, P.E.
City of Billings
Public Works Department
2224 Montana Avenue
Billings, Montana 59101

e-mail: harrist@ci.billings.mt.us
FAX: (406) 237-6291

Consultant: Craig Habben, P.E.
HDR Engineering
2913 Millennium Circle
Billings, Montana 59102

e-mail: craig.habben@hdrinc.com
FAX: (605) 977-7747

Notices are effective upon the earlier of receipt, proof of good transmission (facsimiles only), or 5 days after proof of proper posting.

Section 11. Contract Budget.

In connection with its performance under this Contract, the Consultant shall not make expenditures other than as provided in line items in the Contract budget.

Section 12. Force Majeure.

- A. Any failure to perform by either party due to force majeure shall not be deemed a violation or breach hereof.
- B. As used in this Contract, force majeure is an act or event of substantial magnitude, beyond the control of the delayed party, which delays the completion of this Contract, including without limitation:
 1. Any interruption, suspension or interference resulting solely from the act of Billings or neglect of Billings not otherwise governed by the terms of this Contract.
 2. Strikes or Work stoppages.
 3. Any interruption, suspension or interference with the project caused by acts of God, or acts of a public enemy, wars, blockades, insurrections, riots, arrests or restraints of governments and people, civil disturbances or similar occurrences.
 4. Order of court, administrative agencies or governmental officers other than Billings.

Section 13. Financial Management System.

The Consultant shall establish and maintain a financial management system that:

- A. Provides accurate, current, and complete disclosure of all financial transactions relating to the Contract;
- B. Maintains separate accounts by source of funds for all revenues and expenditures and identifies the source and application of funds for the Consultant's performance under this Contract, including information pertaining to subcontracts, obligations, unobligated balances, assets, liabilities, outlays and income;
- C. Effectively controls and accounts for all municipal funds and Contract property;

- D. Compares actual expenditures with budgeted amounts and relates financial information to performance or productivity data including unit cost information where applicable;
- E. Allocates administrative costs to direct service delivery units;
- F. Minimizes the time between receipt of funds from Billings and their disbursement by the Consultant;
- G. Provides accounting records supported by source documentation; and
- H. Provides a systematic method assuring the timely and appropriate resolution of audit findings and recommendations.

Section 14. Funding Requirements.

In the event that any funding source for this Contract should impose additional requirements upon Billings for the use of those funds, the Consultant agrees to abide by those additional requirements immediately upon receipt of written notice thereof from Billings.

Section 15. Subcontracts.

The Consultant may enter into subcontracts for professional services necessary for the performance of this Contract, provided:

- A. Every subcontract shall be reduced to writing and contain a precise description of the services to be provided and the nature of the consideration paid therefor.
- B. Every subcontract under which the Consultant delegates the provision of services shall be subject to review and approval by the Administrator before it is executed by the Consultant.
- C. Every subcontract in an amount exceeding \$1,000 shall require reasonable access to business records of the subconsultant relating to the purchase of goods or services pursuant to the subcontract.

PART II
GENERAL CONTRACT PROVISIONS

Section 1. Relationship of Parties.

The Consultant shall perform its obligations hereunder as an independent Consultant of Billings. Billings may administer the Contract and monitor the Consultant's compliance with its obligations hereunder. Billings shall not supervise or direct the Consultant other than as provided in this Section.

Section 2. Nondiscrimination.

- A. The Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, age, sex, or marital status or who is a "qualified individual with a disability" (as that phrase is defined in the Americans With Disabilities Act of 1990). The Consultant will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, or mental or physical impairment/disability. Such action shall include, without limitation, employment, upgrading, demotion or transfer, recruitment or recruiting advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. The Consultant agrees to post, in conspicuous places available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.
- B. The Consultant shall state, in all solicitations or advertisements for employees to Work on Contract jobs, that all qualified applicants will receive equal consideration for employment without regard to race, color, religion, national origin, ancestry, age, sex or marital status, or mental or physical impairment/disability.
- C. The Consultant shall comply with any and all reporting requirements that may apply to it which the City of Billings may establish by regulation.
- D. The Consultant shall include the provisions of Subsections A through C of this Section in every subcontract or purchase order under this Contract, so as to be binding upon every such subconsultant or vendor of the Consultant under this Contract.
- E. The Consultant shall comply with all applicable federal, state, and city laws concerning the prohibition of discrimination.

Section 3. Permits, Laws, and Taxes.

The Consultant shall acquire and maintain in good standing all permits, licenses and other entitlements necessary to its performance under this Contract. All actions taken by the Consultant under this Contract shall comply with all current and applicable statutes, ordinances, rules and regulations at the time of the execution of this Contract. The Consultant shall pay all taxes pertaining to its performance under this Contract.

Section 4. Nonwaiver.

The failure of either party at any time to enforce a provision of this Contract shall in no way constitute a waiver of the provision, nor in any way affect the validity of this Contract or any part hereof, or the right of such party thereafter to enforce each and every provision hereof.

Section 5. Amendment.

- A. This Contract shall only be amended, modified or changed by a writing, executed by authorized representatives of the parties, with the same formality as this Contract was executed.
- B. For the purposes of any amendment modification or change to the terms and conditions of this Contract, the only authorized representatives of the parties are:

Consultant: Department Manager
(title of position)

Billings: City Council or Authorized Designee

- C. Any attempt to amend, modify, or change this Contract by either an unauthorized representative or unauthorized means shall be void.

Section 6. Jurisdiction; Choice of Law.

Any civil action rising from this Contract shall be brought in the District Court for the Thirteenth Judicial District of the State of Montana, Billings. The law of the State of Montana shall govern the rights and obligations of the parties under this Contract.

Section 7. Severability.

Any provision of this Contract decreed invalid by a court of competent jurisdiction shall not invalidate the remaining provisions of the Contract.

Section 8. Integration.

This instrument and all appendices and amendments hereto embody the entire agreement of the parties. There are no promises, terms, conditions or obligations other than those contained herein; and this Contract shall supersede all previous communications, representations or agreements, either oral or written, between the parties hereto.

Section 9. Liability.

The Consultant shall indemnify, defend, save, and hold Billings harmless from any and all claims, causes of action, lawsuits, damages, judgments, liabilities, and litigation costs and expenses including reasonable attorneys' fees and costs, arising from any wrongful or negligent act, error or omission of the Consultant or any agent, employee or subconsultant as a result of the Consultant's or any subconsultant's performance pursuant to this Contract.

- A. The Consultant shall not indemnify, defend, save and hold Billings harmless from claims, causes of action, lawsuits, damages, judgments, liabilities, and litigation costs and expenses or attorneys' fees and costs to the extent arising from wrongful or negligent acts, error or omission solely of Billings occurring during the course of or as a result of the performance of the Contract.
- B. Where claims, lawsuits or liability, including attorneys' fees and costs to the extent arise from wrongful or negligent act of both Billings and the Consultant, the Consultant shall indemnify, defend, save, and hold Billings harmless from only that portion of claims, causes of action, lawsuits, damages, judgments, liabilities, and litigation costs and expenses including attorneys' fees and costs, which to the extent result from the Consultant's or any subconsultant's wrongful or negligent acts occurring as a result from the Consultant's performance pursuant to this Contract.

Section 10. Inspection and Retention of Records.

The Consultant shall, at any time during normal business hours and as often as Billings may deem necessary, make available to Billings, for examination, all of its records with respect to all matters covered by this Contract for a period ending three years after the date the Consultant is to complete performance in accordance with Section 2 of the Special Provisions. Upon request, and within a reasonable time, the Consultant shall submit such other information and reports relating to its activities under this Contract, to Billings, in such form and at such times as Billings may reasonably require. The Consultant shall permit Billings to audit, examine and make copies of such records, and to make audits of all invoices, materials, payrolls, records of personnel, and other data relating to all matters covered by this Contract. Billings may, at its option, permit the Consultant to submit its records to Billings in lieu of the retention requirements of this Section.

Section 11. Availability of Funds.

Payments under this Contract may require funds from future appropriations. If sufficient funds are not appropriated for payments required under this Contract, this Contract shall terminate without penalty to Billings; and Billings shall not be obligated to make payments under this Contract beyond those which have previously been appropriated.

IN WITNESS WHEREOF, the parties have executed this Contract on the date and at the place shown below.

City of Billings

HDR Engineering, Inc.

City Council or Designee

Name: Amanda B. McInnis

Date: _____

Title: Department Manager

Date: _____

ATTEST:

IRS Tax ID # 47-0680568

City Clerk

APPROVED AS TO FORM:

Date: _____

By _____

BRENT BROOKS, City Attorney

STATE OF MONTANA)
)
) :ss.
COUNTY OF MISSOULA)

On this ____ day of _____, 2011, before me, the undersigned, a Notary Public for the State of Montana, personally appeared _____, known to me to be the _____ of _____, and acknowledged to me that they executed the foregoing instrument on behalf of said corporation having first been authorized to do so.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written.

Notary Public for the State of Montana
Residing at Missoula, Montana
My Commission Expires: _____

Note: Final contract documents will require the Consultant's signature to be notarized.

Appendix A

Basic Services of Engineer

Section 1. Engineer's Rights and Duties.

- A. To furnish all labor, materials, equipment, supplies, and incidentals necessary to conduct and complete the Engineer's portion of the project as defined in the scope of work and to prepare and deliver to Billings all plans, specifications, bid documents, and other material as designated herein.
- B. Ascertain such information as may have a bearing on the work from local units of government, utility companies, and private organizations and shall be authorized to procure information from other authorities besides Billings, but shall keep Billings advised as to the extent of these contacts and the results thereof.
- C. Prepare and present such information as may be pertinent and necessary in order for Billings to pass critical judgment on the features of the work. The Engineer shall make changes, amendments or revisions in the detail of the work as may be required by Billings. When alternates are being considered, Billings shall have the right of selection.
- D. Engineer's work shall be in accordance with the standards of sound engineering and present City, State, and National standards and policies currently in use.
- E. Conform to the requirements of the Montana Code Annotated Title 18 "Public Contracts" and more particularly Sections 18-2-121 and 18-2-122, and all other codes of the State of Montana applicable to providing professional services including codes and standards nationally recognized.
- F. The Engineer shall certify with the submission of final plans that the plans are in conformance with applicable sections of Title 69, Chapter 4, Part 5, of the Montana Code Annotated as pertaining to existing utilities.
- G. To perform professional services in connection with the project and will serve as Billings' representative in those phases of the project to which this agreement applies.
- H. Where Federal funds are involved, the necessary provisions to meet all requirements will be complied with and documents secured and placed in the bidding documents.
- I. Submit an estimated progress schedule as to time and costs at the beginning of the work, and monthly progress reports thereafter until complete. The reports will include any problems, potential problems, and delays as foreseen by the Engineer. Reports will be submitted in a timely manner to permit prompt resolution of problems.
- J. Contract administration duties will include review of contractor certified payrolls for wage rate compliance. Discrepancies in certified payrolls will be resolved with the

Contractor. A signed Engineer's Payroll Check Sheet (included in the Standard Modifications to MPWSS) will be submitted as proof of this review with one copy of each payroll.

- K. Name a Task Director who shall be the liaison between Billings and the Engineer. For this project the Task Director designated for the Engineer is Craig Habben working under the Principal-in-Charge, Amanda McInnis.

Section 2. Billings Rights and Duties.

- A. To furnish all labor, materials, equipment, supplies, and incidentals necessary to conduct and complete Billings' portion of the project as designated in the scope of work.
- B. Name a Task Director who shall be the liaison between the Engineer and Billings. For this project, the Task Director designated is Travis Harris, PE, working under the City Engineer, Debi Meling, P.E.

Section 3. Scope of Work.

The project consists of engineering services for the design, bidding and construction phases for the City of Billings Water Treatment Facility (WTF) High Service Pump Station (HSPS) Transfer Pump Replacement. The purpose of the project is to replace an existing transfer pump or add an additional 6th transfer pump. The pump capacity will be greater than the capacity of the existing transfer pumps to better match lower demand flows. The pump will include a new motor and variable frequency drive (VFD) that will be medium voltage. The existing pump ancillary facilities will be modified as necessary to accommodate the new pump equipment. The equipment required on the project will be part of the general contractor's responsibility and will not be pre-purchased by the City.

The scope of work is summarized below.

- Replacement of one of the existing transfer pumps (T2, T3 or T4) or addition of a sixth transfer pump at the HSPS. The new pump will be driven by a variable frequency drive (VFD).
- Design of a larger capacity new pump compared to the existing pumps in order to match lower demands with one pump. Preliminary design capacity will be 12.5-25 mgd.
- Discharge valves similar to the existing transfer pumps including new piping as appropriate. Piping will be sized for the larger design capacity of the new pump.
- Power supply for the new VFD/motor/pump combination, preliminarily planned to be 4160 volt served from the 5KV switchgear. A 480 volt supply, via the 5 KV switchgear and a transformer, will be evaluated for cost effectiveness.
- Modification of existing concrete pump pad and new pad for the VFD to accommodate new equipment installation.
- Modification of existing WTP SCADA system to connect to new equipment.

DETAIL SCOPE OF SERVICES

The scope of services that will be utilized on the new transfer pump project is presented in the summaries for Tasks 100 through 400. The scope of services is organized as follows:

<u>Task Series</u>	<u>Description</u>
100	Project Initiation, Coordination, Deliverables and Management
200	Final Design Phase
300	Bid Phase
400	Construction Phase

TASK SERIES 100

101 – Project Initiation

The purpose of this task will be to establish lines of communication between the City and HDR staff. Key project goals and objectives will be established. The project will also be kicked-off internally.

102 – Project Management

Coordinate design team, monitor project status and prepare financial documents.

TASK SERIES 200 – FINAL DESIGN

The basis of the design will be determined. Drawings/specifications for review and final drawings/specifications will be prepared. Specific tasks will include the following:

201 – Prepare Final Drawings

The system requirements for the project will be developed. These requirements will establish the basis of design and construction constraints for developing the transfer pump project. From the basis of design, drawings will be developed for all disciplines for 95% review.

202 – Prepare Detailed Specifications

Detailed specifications for all components of construction, equipment, and facility improvements will be prepared. The detailed specifications will establish general acceptable standards for equipment and materials.

203 – Perform In-House Review and City Review

Senior technical personnel not directly involved with the project will review the final drawings and specifications and the cost estimate for completeness, accuracy, and constructability.

204 – Resolve City Comments and Review Comments

Comments received from internal and City review will be addressed and incorporated in the final drawings, specifications.

205 – Construction Cost Estimate

The estimated capital costs for the project will be developed in this task series. The estimate will include an initial preliminary estimate with the final estimate prepared prior to bidding.

206 – MDEQ Coordination

MDEQ will be coordinated with to determine if their approval is required for the new transfer pump. If one is required, final drawings and specifications will be submitted for review. Any comments will be addressed by addendum or change order. The City will pay for any review and permit fees directly.

TASK SERIES 300 – BID PHASE

301 – Bidding Administrative Assistance

Prepare bid documents and distribute to prospective bidders and plan rooms. Answer bidder questions and prepare addendum as needed. Conduct pre-bid meeting. Attend Bid.

302 – Post-Bid Administrative Assistance

Receive, evaluate and tabulate bids. Assess completeness of bids. Make recommendations to the City on award of contract.

TASK SERIES 400 – CONSTRUCTION PHASE

Construction Phase scope of work is based on 12 week construction period, after which time only minor punch list items would need to be completed.

401 – Construction Initiation Services

The Consultant shall prepare construction contracts, conduct a preconstruction conference and prepare minutes summarizing the conference. The Consultant will provide the owner with three sets and the contractor with three sets of "Issue for Construction" plans and specifications including a pdf version.

402 – Office Assistance and Administration

During the construction phase of the project, the Consultant will provide office assistance to the City on the administration of the project. This effort will include review and preparation of change orders, shop drawing review, interpretation of drawings and specifications, monitoring of compliance with procedure requirements on the project, coordinating with the contractor, preparation of pay estimates, and conducting weekly construction meetings.

403 – Field Services

The Consultant will provide part-time on-site construction observation services. A resident project representative will provide up to 112 hours of construction observations and related tasks. The resident project representative will monitor the project for compliance with contract documents.

404 – Construction Wrap-Up and Acceptance

Upon completion of the construction of the improvements, the Consultant will schedule and hold a final project walk-through and assist the City in the final wrap-up of the project, including preparing record drawings, preparation of a punch list, start-up of facilities, operations and maintenance information review, and recommendation of final acceptance.

405 – Post-Construction Warranty Services

After final acceptance, the Consultant will provide warranty item consultation, assist in the eleven-month warranty inspection, and provide warranty follow-up.

Appendix B

Methods and Times of Payment

Section 1. Payments for Basic Services.

Billings shall authorize payment to the Engineer for services performed under Appendix A of this Agreement. Partial payment shall be made to the Engineer upon receipt of the Engineer's pay estimate, said estimate being proportioned to the work completed by the Engineer. Billings shall deduct ten percent (10%) from each monthly pay estimate to be held until the completion of the final scope of work. The final payment shall be made only after acceptance of final documents by Billings, and determination that the scope of work has been satisfactorily completed.

A. For services rendered, the Engineer shall be paid based upon actual time accrued, but not to exceed the following amounts:

1. Project Initiation, Coordination, Deliverables and Management	\$ 2,800.00
2. Preliminary Design and Final Design	\$ 29,800.00
3. Bidding	\$ 3,400.00
4. Construction	\$ 35,900.00

B. Final payment shall be the above stated basic fee less all previous payments.

Section 2. Payments for Extra Services when Authorized by Billings.

Requests made or conditions identified by interested groups at the agency or public meetings, which are beyond the scope and intent of this study shall be paid for by a negotiated price.

Section 3. Corrections.

Costs of Billings work that is required for corrections to the Engineer's work which requires redoing by Billings shall be deducted from any payments due the Engineer, if the Engineer fails to make the required corrections.

Section 4. Fee Increases

For contracts and services that are expected to require more than one (1) year to complete, the above stated basic services payments may be reviewed and adjusted annually by mutual agreement of the parties, based upon documented evidence that the Engineer's costs have increased for all comparable clients.

Appendix C

Additional Services of Engineer

Extra Services of the Engineer will be paid only with written prior authorization by Billings.

- A. Field and laboratory testing of materials and reports.
- B. Requests made or conditions identified by interested groups at the agency or public meetings, which are beyond the scope and intent of this study.

Appendix D

Schedule of Professional Fees

Not Used

Appendix E

Project Schedule

Based on a notice to proceed by Billings date no later than April 1, 2011, the completion date for the Engineer's work through final design shall be:

A. Submittals and Meetings

1. 95% Design – June 17, 2011
2. Bid Documents/Advertisement – July 14, 2011

B. Bidding

1. Pre-Bid Meeting – July 26, 2011
2. Bid Date – August 9, 2011

Delays affecting the completion of the work within the time specified of more than ninety (90) days, not attributable to or caused by the Parties hereto, may be considered as cause for the renegotiation or termination of this Contract.

If the Engineer is behind on this Contract due to no fault of Billings, then the Engineer hereby acknowledges the right of Billings to withhold future Contracts to the Engineer in addition to any other remedy until this Contract is brought back on schedule or otherwise resolved.

Appendix F

Certificate(s) of Insurance

Certificate of Insurance Attached



CERTIFICATE OF LIABILITY INSURANCE

6/7/2011

DATE (MM/DD/YYYY)
5/25/2010

PRODUCER Lockton Companies, LLC-1 Kansas City
444 W. 47th Street, Suite 900
Kansas City MO 64112-1906
(816) 960-9000

INSURED 13147 HDR ENGINEERING, INC.
ATTN: LOUIS J. PACHMAN
8404 INDIAN HILLS DRIVE
OMAHA, NE 68114-4049
BELLEVUE/CYNTHIA RAMOLD

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE		NAIC #
INSURER A: Hartford Fire Insurance Company		19682
INSURER B: St. Paul Fire and Marine Insurance Co		24767
INSURER C: New Hampshire Insurance Company		23841
INSURER D: Insurance Company of the State of PA		19429
INSURER E: Zurich American Insurance Company		16535

THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER AND THE CERTIFICATE HOLDER.

COVERAGES HDRIN01 SA

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> CONTRACTUAL LIAB GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC	37CSEQU0950	6/1/2010	6/1/2011	EACH OCCURRENCE	\$ 1,000,000
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000
						MED EXP (Any one person)	\$ 10,000
						PERSONAL & ADV INJURY	\$ 1,000,000
						GENERAL AGGREGATE	\$ 2,000,000
						PRODUCTS - COMP/OP AGG	\$ 2,000,000
A		AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	37CSEQU0951 (AOS) 37CSEQU0952 (HI)	6/1/2010	6/1/2011	COMBINED SINGLE LIMIT (Ea accident)	\$ 2,000,000
A				6/1/2010	6/1/2011	BODILY INJURY (Per person)	\$ XXXXXXXX
						BODILY INJURY (Per accident)	\$ XXXXXXXX
						PROPERTY DAMAGE (Per accident)	\$ XXXXXXXX
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO	NOT APPLICABLE			AUTO ONLY - EA ACCIDENT	\$ XXXXXXXX
						OTHER THAN AUTO ONLY: EA ACC	\$ XXXXXXXX
						AGG	\$ XXXXXXXX
B		EXCESS / UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> UMBRELLA FORM RETENTION \$	QK08000912 (EXCLUDES PROF. LIAB)	6/1/2010	6/1/2011	EACH OCCURRENCE	\$ 2,000,000
						AGGREGATE	\$ 2,000,000
							\$ XXXXXXXX
							\$ XXXXXXXX
							\$ XXXXXXXX
C		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below	3621195 (AOS) 3621196 (CA)	6/1/2010	7/1/2011	<input checked="" type="checkbox"/> WC STATUTORY LIMITS	
D				6/1/2010	7/1/2011	E.L. EACH ACCIDENT	\$ 1,000,000
						E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
						E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
E		OTHER ARCHS & ENGS PROFESSIONAL LIABILITY	EOC9260026-03	6/1/2010	6/1/2011	PER CLAIM: \$2,000,000. AGG:	\$2,000,000.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 RE: CLIENT #000194; ALL PROJECTS. CITY OF BILLINGS, ITS OFFICIALS, OFFICERS, EMPLOYEES & AGENTS ARE NAMED AS ADDITIONAL INSUREDS AS RESPECTS GENERAL & AUTOMOBILE LIABILITY, AS PER WRITTEN CONTRACT. WAIVER OF SUBROGATION APPLIES.

CERTIFICATE HOLDER	CANCELLATION
2824447 CITY OF BILLINGS PUBLIC WORKS DEPARTMENT ATTN: DAVE MUMFORD 2224 MONTANA AVE 2ND FLOOR BILLINGS MT 59101	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL endeavor to mail 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OF LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE 