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 www.cetecengineering.com

PW110105-12

**AUTHORIZATION AND AGREEMENT FOR SERVICES**

Date: October 3, 2005

**CLIENT - OWNER - INFORMATION**

Name: City of Rapid City

Billing Address: 300 6th Street City/State/Zip Code: Rapid City, South Dakota, 57701-2724

Contact Person/Title: Stacey Titus, PE

Phone: 605-394-4154 Fax: 605-394-6636

Project Title: Well 12 – Stoney Creek Booster Construction Services, City Project No. W03-953

Scope of Services: Engineering services for generator bidding for Well 12 – Stoney Creek Booster.

Job Location - City: Rapid City, SD County: Pennington

Estimated Completion Date: October 31, 2005

Contract Amount: \$5,200.00 (maximum limiting fee)

CLIENT AGREES TO THE GENERAL TERMS AND CONDITIONS ATTACHED WHICH ARE A PART OF THIS AGREEMENT. PLEASE READ, SIGN AND RETURN ONE COPY TO CETEC ENGINEERING AT THE ADDRESS BELOW. WORK WILL NOT COMMENCE OR BE SCHEDULED UNTIL SIGNED AND COPIES RETURNED. THIS INSTRUMENT SHALL NOT CONSTITUTE AN AGREEMENT OR CONTRACT BETWEEN THE PARTIES UNTIL EXECUTED BY CETEC ENGINEERING SERVICES, INC.

I HEREBY APPROVE AND ACCEPT THIS AGREEMENT AND HAVE RECEIVED COPY OF SAME.

Accepted: City of Rapid City, South Dakota

By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Mayor

Attested: \_\_\_\_\_ Date: \_\_\_\_\_  
 City Finance Officer

Accepted: Engineering Division

By: Stacey A. Titus Date: 10/6/05  
 Project Manager

Accepted by CETEC: Theodore J. Schultz Date: 10/5/05  
 Theodore Schultz, P.E., Principal

## GENERAL TERMS AND CONDITIONS

PW110105-12

### **PAYMENT FOR SERVICES**

Method of payment shall be as identified elsewhere. CETEC will bill the Client (Owner) monthly or as otherwise determined applicable, as work progresses. Invoice amounts are due and payable in full within thirty (30) days of the invoice date.

Accounts unpaid after said 30-day period shall be in default and shall be subject to a default or late payment charge computed at the rate of one percent (1%) per month, based upon the unpaid balance of the account dating from the invoice date, and accrued and compounded monthly. CETEC may give notice by regular mail and suspend services on all projects for any Client whose account is in default; and materials and information relating to such work will not be released until all amounts owing, including service charges, collection costs/fees, etc., are paid in full. CETEC will not be responsible for any penalty, damages or hardship that may result from such suspension of work. Accounts remaining unpaid for a period of forty five (45) days after the invoice date will be subject to a mechanics lien and collection action by any legal action deemed appropriate. The expense of collection, including attorney's fees, CETEC personnel time and/or collection will be added to accounts in default.

Work performed on an hourly basis will normally be billed at the current hourly charge rate established for each employee providing services. Actual expenses times 1.10 shall be added to all hourly work, except for those applicable items where established charges may apply, such as for reproduction, mileage, postage, etc.

### **GENERAL CONDITIONS**

Where applicable, proposed fees constitute our best estimate of the charges required to perform the services as defined. Except as provided otherwise, the project will not be reduced without written mutual agreement. Where project scope is expanded by Client/Owner (or agent), Client will be responsible for payment for services resulting therefrom. For those projects involving conceptual or process development services, activities often cannot be fully defined during initial planning. As the project progresses, if facts are uncovered which reveal a change in direction which may alter the scope, CETEC will inform the Client of such situation so that changes in scope can be negotiated as required.

CETEC will provide all services in accordance with generally accepted professional practices. CETEC will not provide or offer to provide services inconsistent with or contrary to such practices nor make any warranty or guarantee, express or implied, nor to have any agreement or contract for services subject to the provisions of any uniform commercial code. Cancellation of this project by the Client shall be effective seven (7) days after notice to CETEC. The written notice shall include the reasons and details for cancellation. A final invoice will be prepared for all charges incurred through the date of cancellation; and payment will be due as stated elsewhere herein.

If the Client violates any of the agreements entered into between CETEC and the Client, or if the Client fails to carry out any of the duties contained in these terms and conditions, CETEC may, upon seven (7) days written notice to the Client, suspend its services and/or terminate this agreement with the Client, without further obligation or liability to CETEC, unless within such seven (7) day period, the Client remedies such violation to the reasonable satisfaction of CETEC.

The Client agrees to provide such legal, accounting and insurance counselling services as may be required for the project.

CETEC retains ownership of all instruments of service pertaining to this project. Re-use of any documents pertaining to this project by the Client on extensions of this project or on any other project shall be at the Client's risk and the Client agrees to defend, indemnify and hold harmless CETEC from all claims, damages and expenses, including attorneys' fees, arising out of such re-use of the documents by the Client or by others acting through the Client. Nothing in this agreement shall be construed to subject or extend to CETEC the responsibility or authority to direct or supervise construction means, methods, techniques, sequence or procedures of construction selected by contractors or subcontractors or the safety precautions and programs incident to the work of the contractors or subcontractors.

### **INSURANCE**

CETEC will maintain insurance coverage in the following amounts:

Workers Compensation: South Dakota State Statutory  
Professional Liability: \$1,000,000

If the Client requires coverages or limits in addition to the above stated amounts, premiums for additional insurance shall be paid by the Client.

### **TIME AND PERIOD OF PERFORMANCE - ASSIGNMENT OF CONTRACT**

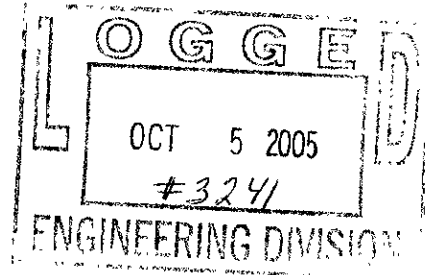
CETEC shall perform the described work as expeditiously as is consistent with professional skill and care and the orderly progress of the work. The anticipated schedule is based upon a reasonable estimate of the time required to perform the work and does not include allowances for periods of time required for the Client's review and approval of submissions and for approvals of authorities having jurisdiction over the project. The schedule shall be adjusted as required as the work proceeds in the event there are delays in any required approvals, for any other delays beyond the control of CETEC, in the event the scope of the work is changed in any respect or if more time is required to perform the work than was originally estimated or anticipated by CETEC.

Client (Owner) shall not assign this agreement without the authorized written consent of CETEC. This agreement shall extend to and be binding upon the respective heirs, personal representatives, successors and assigns of the parties hereto.



October 5, 2005

City of Rapid City  
Public Works Department  
Attn: Stacey Titus, P.E.  
300 6<sup>th</sup> Street  
Rapid City, SD 57701



RE: Contract for Engineering Services  
Generator Equipment Procurement for  
Well 12 – Stoney Creek Booster Station  
City of Rapid City Project No. W03-953.E1

Dear Stacey:

I am forwarding a proposed agreement for services for the above referenced project. The work includes bidding and shop drawing services for the Standby Generator for the future Well 12- Stoney Creek Booster Station. CETEC proposes to utilize West Plains Engineering as a subconsultant on this project. The proposed maximum limiting for the project is \$5,200.00. The scope of work for the project is listed below:

**Generator Phase:**

Review existing specifications, make modifications and prepare final bidding specifications for Generator. Review generator size and compatibility with proposed well pump motor. Provide front-end contract documents and technical specifications for the generator, transfer switch and enclosure. The generator equipment procurement will be bid separately to meet the deadline of the Homeland Security grant. Generator specifications are scheduled to be delivered to the City by September 1<sup>st</sup> and finalized by September 2<sup>nd</sup>, 2005. The shop drawing phase of the project will be completed in October 2005.

Please review the contract and contact me with any questions.

Sincerely,

CETEC Engineering Services, Inc.

A handwritten signature in black ink that reads "Theodore Schultz".

Theodore F. Schultz, P.E.  
Principal

✓ ST,