REQUEST AUTHORIZATION FOR MAYOR AND FINANCE OFFICER TO SIGN **PROFESSIONAL SERVICES AGREEMENT**

OR AMENDMENT

March 13, 2008

Engineering Services for Elm Ave / Meade Street Reconstruction Project Name & Number:

CIP

Project

Rapid City, SD, Project No.: DR03-1333C.

#:50416 # 1333c

Project Description:

Engineering Services for Construction Administration of the reconstruction of Elm Ave. (Flormann St

to Tallent St) and Meade St (Elm Ave to Birch Ave).

Consultant: FMG, Inc.

\$87,305.00 **Original Contract Amount:**

Original Completion Date:

Amendment Number:

Amendment Description:

\$87,305.00 Current Contract Amount:

Current Completion Date:

Change Requested:

New Contract Amount: \$87,305.00 New Completion Date:

Funding Source This Request:

Amount	Dept.	Line Item	Comments
\$10,000.00	833	4223	Engineering Services for Sewer Enterprise Fund
\$13,000.00	8910	4223	Engineering Services for Streets
\$59,305.00	8911	4223	Engineering Services for Drainage
\$5,000.00	933	4223	Engineering Services for Water Enterprise Fund
\$87,305.00	Total	-	

4	Agreement Revi	ew & Approvals	
Tentel Techel	3/13/08	PL\$8	3-13-08
Project Manager	Date	Division Manager	Date
ZPS	3-13-08	- SEE CONTRACT -	
Department Director	Date	City Attorney	Date

ROUTING INSTRUCTIONS

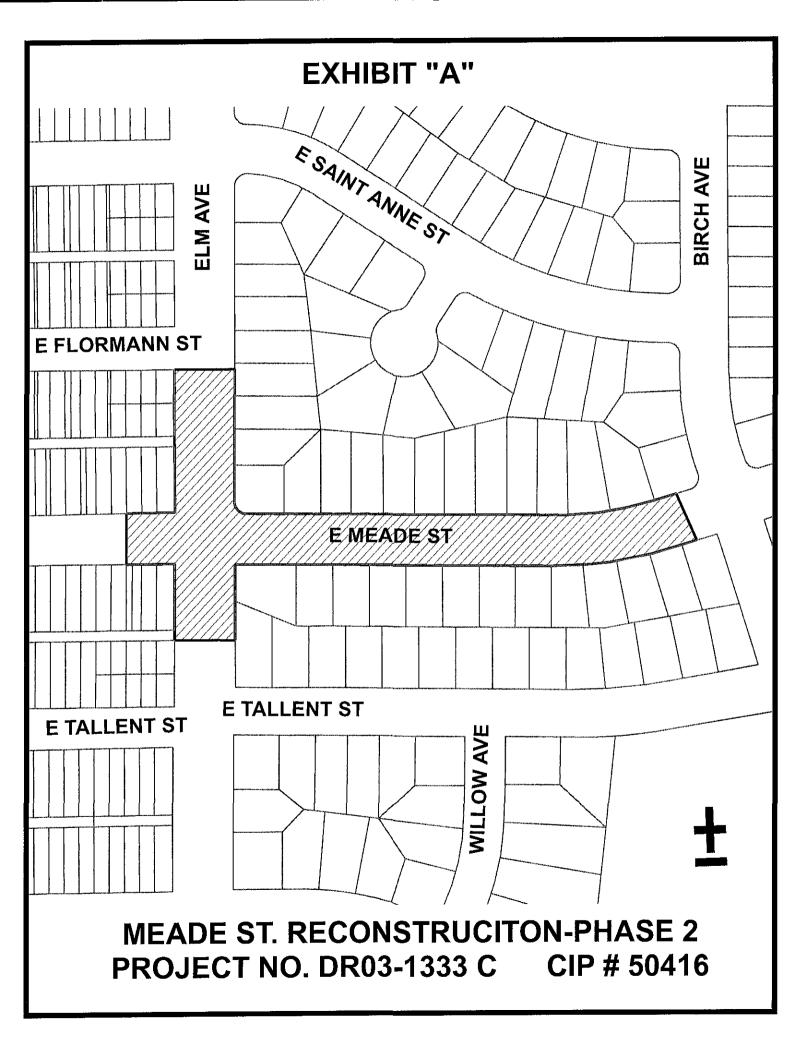
Route two originals of the Agreement for review and signatures Finance Office - Retain one original

Project Manager - Retain second original for delivery to Consultant

Public Works Engineering Project Manager

FINANCE OFFICE USE ONLY

(Note to Finance. Please write date of Agreement in appropriate space in the Agreement document) Date initials: Approved Appropriation Cash Flow



PROFESSIONAL SERVICES AGREEMENT for ENGINEERING SERVICES

This AGREEMENT is made this da Rapid City, 300 Sixth Street, Rapid City 3700 Sturgis Road, Rapid City, SD 57702, h	y, SD 57701, hereinafter called the Client, and FMG, Inc. ereinafter called the Consultant.
The Client agrees to employ the Consultant to project described as:	to render Engineering services in connection with the Client's
Construction	Period Engineering Services
MEADE STREET	TRECONSTRUCTION - PHASE 2
East Meade St	reet from Elm Ave to Birch Ave
Elm Avenue fi	rom Flormann St. to Tallent St.
Project No	o. DR03-1333 CIP No. 50416
accordance with the terms and conditions herewith made a part of this Agreement. The Exhibits, attached proposals, and other attack Agreement superseding any and all prior neoral. Any changes to this Agreement must be	at the services and the Client shall make payment for same in set forth in the attached Articles and Exhibits which are The Agreement between the parties consists of these terms, hments noted. Together, these elements constitute the entire egotiations, correspondence, or agreements either written or e mutually agreed to in writing. To have made and executed this Agreement (in duplicate) on
the day and year first mentioned above.	
CLIENT: CITY OF RAPID CITY	CONSULTANT: FMG, INC.
By:	By:
Title:	Allen D. Foster, P. E. Title: President
Date:	Date: 2/28/08
ATTEST: By:	
Title:	
Date:	APPROVED AS TO FORM CITY ATTORNEY'S OFFICE Actorney Date

ARTICLE I - PROJECT PROVISIONS

A. PROJECT DESCRIPTION

The project includes construction of sanitary sewer improvements, water mains, drainage improvements and street reconstruction on East Meade Street from Elm Ave to Birch Ave and on Elm Avenue from Flormann St. to Tallent St.

B. SCOPE OF SERVICES

Construction Phase

Upon successful completion of the Bidding and Negotiating Phase, and upon written authorization from Owner, Consultant shall:

- Consult with Client and act as Client's representative as provided in the General Conditions. The extent and limitations of the duties, responsibilities, and authority of Consultant as assigned in the General Conditions shall not be modified, except as Consultant may otherwise agree in writing. All of Client's instructions to Contractor will be issued through Consultant, which shall have authority to act on behalf of Client in dealings with Contractor to the extent provided in this Agreement and the General Conditions except as otherwise provided in writing.
- 2. Provide the services of a Resident Project Representative (RPR) at the Site to assist the Consultant and to provide more extensive observation of Contractor's work. Duties, responsibilities, and authority of the RPR are as set forth in Attachment A. The furnishing of such RPR's services will not limit, extend, or modify Consultant's responsibilities or authority except as expressly set forth in Attachment A.
- 3. Conduct a Pre-Construction Conference prior to commencement of Work at the Site.
- 4. Receive, review, and determine the acceptability of any and all schedules that Contractor is required to submit to Consultant, including the Progress Schedule, Schedule of Submittals, and Schedule of Values.
- 5. Make visits to the Site at intervals appropriate to the various stages of construction, as Consultant deems necessary, to observe as an experienced and qualified design professional the progress and quality of Contractor's executed Work. Such visits and observations by Consultant, and the Resident Project Representative, if any, are not intended to be exhaustive or to extend to every aspect of Contractor's Work in progress or to involve detailed inspections of Contractor's Work in progress beyond the responsibilities specifically assigned to Consultant in this Agreement and the Contract Documents, but rather are to be limited to spot checking, selective sampling, and similar methods of general observation of the Work based on Consultant's exercise of professional judgment as assisted by the Resident Project Representative, if any. Based on information obtained during such visits and observations, Consultant will determine in general if the Work is proceeding in accordance with the Contract Documents, and Consultant shall keep Client informed of the progress of the Work.

- The purpose of Consultant's visits to, and representation by the Resident Project Representative, if any, at the Site, will be to enable Consultant to better carry out the duties and responsibilities assigned to and undertaken by Consultant during the Construction Phase, and, in addition, by the exercise of Consultant's efforts as an experienced and qualified design professional, to provide for Client a greater degree of confidence that the completed Work will conform in general to the Contract Documents and that Contractor has implemented and maintained the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents. Consultant shall not, during such visits or as a result of such observations of Contractor's Work in progress, supervise, direct, or have control over Contractor's Work, nor shall Consultant have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by Contractor, for security or safety on the Site, for safety precautions and programs incident to Contractor's Work, nor for any failure of Contractor to comply with Laws and Regulations applicable to Contractor's furnishing and performing the Work. Accordingly, Consultant neither guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform the Work in accordance with the Contract Documents.
- 6. Consultant shall have the authority to recommend to Client that Contractor's Work be rejected while it is in progress if, on the basis of Consultant's observations, Consultant believes that such Work will not produce a completed Project that conforms generally to the Contract Documents or that it will threaten the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents.
- 7. Consultant will issue necessary clarifications and interpretations of the Contract Documents as appropriate to the orderly completion of Contractor's work. Such clarifications and interpretations will be consistent with the intent of and reasonably inferable from the Contract Documents. Consultant may issue Field Orders authorizing minor variations in the Work from the requirements of the Contract Documents.
- 8. Consultant will recommend Change Orders and Work Change Directives to Client, as appropriate, and prepare Change Orders and Work Change Directives as required.
- 9. Consultant will review and approve or take other appropriate action in respect to Shop Drawings and Samples and other data which Contractor is required to submit, but only for conformance with the information given in the Contract Documents and compatibility with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Such reviews and approvals or other action will not extend to means, methods, techniques, sequences, or procedures of construction or to safety precautions and programs incident thereto. Consultant shall meet any Contractor's submittal schedule that Consultant has accepted.
- 10. Consultant will assist the Client in evaluating and determining the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor.
- 11. Consultant will require such special inspections or tests of Contractor's work as deemed reasonably necessary, and receive and review all certificates of inspections, tests, and approvals required by laws and regulations or the Contract Documents. Consultant's review of such certificates will be for the purpose of determining that the results certified

indicate compliance with the Contract Documents and will not constitute an independent evaluation that the content or procedures of such inspections, tests, or approvals comply with the requirements of the Contract Documents. Consultant shall be entitled to rely on the results of such tests.

- 12. Consultant will render formal written decisions on all duly submitted issues relating to the acceptability of the work or the interpretation of the requirements of the Contract Documents pertaining to the execution, performance, or progress of the Work; review each duly submitted Claim by Client or Contractor, and in writing either deny such Claim in whole or in part, approve such Claim, or decline to resolve such Claim if Consultant in its discretion concludes that to do so would be inappropriate. In rendering such decisions, Consultant shall be fair and not show partiality to Client or Contractor and shall not be liable in connection with any decision rendered in good faith in such capacity.
- 13. Based on Consultant's observations as an experienced and qualified design professional and on review of Applications for Payment and accompanying supporting documentation:
 - a. Recommend the amounts the Contractor be paid. Such recommendations of payment will be in writing and will constitute Consultant's representation to Client, based on such observations and review, that, to the best of Consultant's knowledge, information and belief, Contractor's Work has progressed to the point indicated, the quality of such Work is generally in accordance with the Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Contract Documents, and to any other qualifications stated in the recommendation), and the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Consultant's responsibility to observe Contractor's Work. In the case of unit price work, Consultant's recommendations of payment will include final determinations of quantities and classifications of Contractor's Work (subject to any subsequent adjustments allowed by the Contract Documents).
 - b. By recommending any payment, Consultant shall not thereby be deemed to have represented that observations made by Consultant to check the quality or quantity of Contractor's Work as it is performed and furnished have been exhaustive, extended to every aspect of Contractor's Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Consultant in this Agreement and the Contract Documents. Neither Consultant's review of Contractor's Work for the purposes of recommending payments nor Consultant's recommendation of any payment including final payment will impose on Consultant responsibility to supervise, direct, or control Contractor's Work in progress or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto, or Contractor's compliance with Laws and Regulations applicable to It will also not impose Contractor's furnishing and performing the Work. responsibility on Consultant to make any examination to ascertain how or for what purposes Contractor has used the moneys paid on account of the Contract Price, or to determine that title to any portion of the Work in progress, materials, or equipment has passed to Client free and clear of any liens, claims, security interests, or encumbrances, or that there may not be other matters at issue between Client and Contractor that might affect the amount that should be paid.

- 14. The Consultant, RPR and assistants will perform quality control testing of materials during the construction in accordance with the requirements and frequencies set forth in the construction documents and the latest revision of the City of Rapid City Standard Specifications for Public Works Construction.
- 15. Consultant will receive, review and transmit maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance required by the Contract Documents, certificates of inspection, tests and approvals, and the annotated record documents which are to be assembled by Contractor in accordance with the Contract Documents to obtain final payment.
- 16. Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use, the Consultant will, in company with Client and Contractor, conduct an inspection to determine if the Work is substantially complete. If after considering any objections of Client, Consultant considers the Work substantially complete; Consultant shall deliver a certificate of Substantial Completion to Client and Contractor.
- 17. Promptly after notice from Contractor that Contractor that the Work is complete, the Consultant will, in company with Client and Contractor, conduct an inspection to determine if the Work is complete. Consultant shall deliver a certificate of final Completion to Client and Contractor including the date for the start of the warranty period.
- 18. The Construction Phase will commence with the execution of the first construction Contract for the Project or any part thereof and will terminate upon written recommendation by Consultant for final payment to Contractors.
- 19. Consultant shall not be responsible for the acts or omissions of any Contractor, or of any subcontractors, suppliers, or other individuals or entities performing or furnishing any of the Work. Consultant shall not be responsible for the failure of any Contractor to perform or furnish the Work in accordance with the Contract Documents.

The tasks to complete the project requirements are established in the Man-Hour Projections and Estimated Fees attached hereto as Attachment A.

C. PAYMENTS OF THE CONSULTANT

For the engineering services performed by the Consultant under this Agreement, and as full compensation therefor, and for all expenditures made and all expenses incurred by the Consultant in connection with the Agreement, except as otherwise expressly provided herein, subject to and in conformance with all provisions of the Agreement, Client will pay consultant as follows:

1.1 For the Engineering Services described in Section B, Client will pay Consultant in accordance with the provisions of Article II. Total compensation, as outlined in the Estimated Man-Hours and Fees attached hereto as Attachment A will not exceed \$87,305.00 without prior written approval of Client. The services will be billed on a unit-cost basis. The unit costs are considered fixed; however, the total will vary depending on the actual project work requirements and conditions.

1.2 For additional services rendered pursuant to Article II, Section 7.0, Client will pay Consultant on the basis hourly rates set forth in the Estimated Man-Hours and Estimated Fees attached hereto as Attachment A.

D. BILLING RATES

See Attachment A

E. SCHEDULE

1.1 The provisions of this section have been agreed to in anticipation of the orderly and continuous progress of the Project through completion of construction. Consultant's obligation to render services hereunder will extend for a period which may reasonably be required for completion of the project including extra work and extensions thereto.

ARTICLE II - GENERAL CONDITIONS

SECTION 1.0 - STANDARD OF CARE

- 1.1 Consultant agrees to perform the services set forth in this Agreement in accordance with generally accepted professional practices, in the same or similar localities, related to the nature of the work accomplished, at the time the services are performed. Consultant's services shall not be subject to any other express or implied warranties whatsoever.
- 1.2 Client recognizes that site characteristics and subsurface conditions may vary from those observed at locations where observations, borings, surveys, or explorations are made, and that site conditions may change with time. Client further recognizes that even with a comprehensive sampling and testing program, implemented with experienced personnel who function in accordance with a professional standard of care, there may be failure to detect certain conditions. Client will furnish to Consultant all reports, data, studies, plans, specifications, documents and other information deemed necessary by Consultant for performance of the services. Consultant may rely upon Client provided documents in performing the services but Consultant assumes no responsibility or liability for the accuracy of such documents. Data, interpretations, and recommendations by Consultant will be based solely on information available to Consultant, and Consultant will not be responsible for hidden conditions or other parties' interpretations or use of the information developed.

SECTION 2.0 SITE ACCESS AND RIGHT OF ENTRY

2.1 Client will grant or obtain free access to the site for all equipment and personnel necessary for Consultant to perform the work set forth in this Agreement. Client will notify any and all possessors of the project site that Client has granted Consultant free access to the site. Consultant will take reasonable precautions to minimize damage to the site, but it is understood by Client that, in the normal course of work, some damage may occur but in the absence of any written damage agreement, Consultant shall not be liable or responsible for such damage. Any additional costs to facilitate site access will be charged to the Client at cost.

SECTION 3.0 TIME

3.1 The Consultant will perform the professional services in a timely manner consistent with sound engineering practices.

SECTION 4.0 DELAYS

4.1 It is recognized that unforeseen events or circumstances may arise causing delays beyond the control of either the Client or the Consultant. Whenever such delays occur or are about to occur, the Consultant shall immediately notify the Client. If such delays are not the fault of the Consultant and will increase his cost of performing the services required under this Agreement, the parties hereto shall enter into a written agreement describing the additional cost and the compensation therefor.

SECTION 5.0 OWNERSHIP OF DOCUMENTS

5.1 Reports, drawings, specifications, field data, laboratory test data, calculations, estimates, and other materials resulting from Consultant's efforts are intended solely for purposes of this Agreement; any reuse by Client or others for purposes outside of this Agreement or any failure to follow Consultant's recommendations, without Consultant's written permission, shall be at the user's sole risk. Client will furnish such reports, data, studies, plans, specifications, documents, and other information deemed necessary by Consultant for proper performance of its services. Consultant may rely upon Client-provided documents in performing the services required under this Agreement; however, Consultant assumes no responsibility or liability for their accuracy. Client-provided documents which are prepared, as instruments of service, shall remain

Consultant's property and consultant shall retain copyrights to these materials. Consultant will retain all pertinent records relating to services performed for a period of six years following submission of a report during which period the records will be made available to Client at all reasonable times.

SECTION 6.0 SAFETY AND WORK PROGRESS

6.1 The Consultant will perform professional services in accordance with custom and practice within the locality and in no instance is to be responsible for methods of performance of the work, superintendance, sequencing of construction, or safety in or about the jobsite.

SECTION 7.0 CHANGE IN SCOPE

- 7.1 It is recognized by the parties of this Agreement that unforeseen circumstances may arise during the development and completion of the project which will dictate changes in the scope of work, the procedures, and the Consultant's fees.
- 7.2 Consultant shall identify the changed conditions which in Consultant's judgment make such modification necessary, and Consultant and Client shall promptly and in good faith enter into modification of the work scope and fees of this agreement to help permit Consultant to continue to meet Client's needs. If mutually agreed in writing by the Client and the Consultant, the Consultant shall perform or obtain the services of others to perform any additional activities deemed necessary for completion of the project. Additional Services are not included as part of the original proposal and will be paid by the Client as provided in writing through subsequent work proposals, at the established rates and fees.

SECTION 8.0 CHANGE ORDERS

Whenever there occurs any change(s) affecting the scope or nature of the work and the terms and requirements of this Agreement, the Consultant shall issue a written supplemental agreement to be agreed upon by both parties hereto and become a part of this Agreement. The Supplemental Agreement shall describe the nature of and the reasons for such change and any change in compensation to be paid the Consultant by the Client.

SECTION 9.0 INVOICES AND PAYMENT

- 9.1 The Consultant will submit invoices to the Client monthly and/or a final bill upon completion of services. The invoices will be prepared in accordance with the applicable cost items indicated in Article I proposal(s), related attachments, and for any Additional Services provided.
- 9.2 If Client objects to all or any portion of any invoice, Client will so notify Consultant in writing within fourteen (14) calendar days of the invoice date, identify the cause of disagreement, and pay when due that portion of the invoice not in dispute. The parties will immediately make every effort to settle the disputed portion of the invoice. In the absence of written notification described above, the balance as stated on the invoice will be paid.
- 9.3 Payment is due upon presentation of invoice and is past due thirty (30) days from invoice date. Invoices are delinquent if payment has not been received within thirty (30) days from date of invoice. Client's failure to pay Consultant within sixty (60) days may constitute a breach of this Agreement.
- 9.4 Payment to Consultant by Client is in no instance contingent upon Client's receipt of payment from any additional party including, but not limited to, insurance companies or governmental compensation funds.

SECTION 10.0 DISPUTES

10.1 DELETED

SECTION 11.0 RISK ALLOCATION

- 11.1 DELETED
- 11.2 DELETED
- The Owner and Client acknowledges that the Consultant is a corporation and agrees that any claim made by the Owner or Client arising out of any act or omission of any director, officer or employee of the Consultant in the execution or performance of this agreement, shall be made against the Consultant and not against such director, officer or employee.
- 11.4 DELETED

SECTION 12.0 INSURANCE

12.1 The Consultant represents and warrants that it and its agents, staff, and subconsultants employed by it is and are protected by worker's compensation insurance (Statutory) and that the Consultant has such coverage under public liability and property damage insurance policies which the Consultant deems to be adequate. The Consultant shall maintain its General Liability insurance with a minimum of \$1,000,000 limit per occurrence or equivalent during the term of this Agreement. Consultant shall maintain its professional liability insurance with a minimum of \$1,000,000 limit per occurrence or equivalent during the term of this Agreement. Certificates for all such policies of insurance shall be provided to the Client upon request in writing.

SECTION 13.0 ASSIGNS

Neither the Client nor the Consultant shall delegate, assign, sublet, or transfer his duties or interest in this Agreement without the written consent of the other party.

SECTION 14.0 TERMINATION

- 14.1 This Agreement may be terminated by either party upon seven (7) days' written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof. Such termination shall not be effective if that substantial failure has been remedied before expiration of the period specified in the written notice. In the event of termination, the Consultant shall be paid for services performed to the termination notice date plus reasonable termination expenses.
- 14.2 In the event of termination, or suspension for more than three (3) months prior to completion of all drawings, specification, reports and other instruments contemplated by this Agreement, the Consultant may complete such analyses and records as are necessary to complete his files and may also complete a report on

the services performed to the date of notice of termination or suspension. The expenses of termination or suspension shall include all direct costs of the Consultant in completing such analyses, records and reports.

SECTION 15.0 FORCE MAJEURE

15.1 Neither party to this Agreement will be liable to the other party for delays in performing the services, nor for the direct or indirect cost resulting from such delays, that may result from labor strikes, riots, war, acts of governmental authorities, extraordinary weather conditions or other natural catastrophe, or any other cause beyond the reasonable control or contemplation of either party.

SECTION 16.0 SEVERABILITY AND SURVIVAL

16.1 Any element of this Agreement later held to violate a law shall be deemed void, and all remaining provisions shall continue in force. However, Client and Consultant will in good faith attempt to replace any invalid or unenforceable provision with one that is valid and enforceable, and which comes as close as possible to expressing the intent of the original provision. All terms and conditions of this Agreement allocating liability and defining indemnities between Client and Consultant shall survive the completion of the services hereunder and the termination of this Agreement for any cause.

SECTION 17.0 GOVERNING LAW

- 17.1 The law of the State of South Dakota will govern the validity of the Agreement terms, their interpretation and performance.
- 17.2 This Agreement is binding upon the parties, their heirs, successors and assigns.
- 17.3 The parties have read the foregoing, understand completely the terms and conditions, and willingly enter into this Agreement.

CONSTRUCTION PERIOD SERVICES for Phase 2 Meade Street Reconstruciton

FMG, Inc.
ESTIMATED MAN-HOURS AND FEES

January 23, 2008

	PR/PE	DE/PE	CADD/ET	RLS	SC	PR/SMS	ST	LM/ET	CL
CONSTRUCTION PHASE (Assumes 28 week Constru	iction Perio	d)	· ·			<u> </u>			
Preconstruction Meeting	2	2			}				
PSA's	}	2							2
Review shop drawings, Mix Designs & Materials	1	12							
Consultation for Change/Field Orders	2	8	1						
Weekly Progress Meetings	8	48							
Periodic Construction Observation (Engineer 28 wks @ 8 hrs/wk)	20	204							-
Periodic Construction Observation (Sr. Tech 28 wks @ 24 hrs/wk)								672	
Material Testing, Compaction/Concrete						12	180	24	
Compaction, Testing Reports						8		24	40
Monthly Pay Estimates	2	40							
Final Inspection		8					<u> </u>		
Record Drawings		4	32						
6-Month Review		6							
Misc. Coordination	12	12					1		
Sub-Total/Construction Phase	47	346	32	0	0	20	180	720	42

ESTIMATED ENGINEERING FEES-CONSTRCTION PHASE

	HOURS	RATE	T	OTAL
PR/PE - PRINCIPAL/PROFESSIONAL ENGINEER	47	\$105.00/HR	\$	4,935.00
DE/PE DESIGN ENGINEER/PROFESSIONAL ENGINEER	346	\$80.00/HR	\$ 2	7,680.00
CADD/ET - COMPUTER OPERATOR/ENGINEERING TECHNICIAN	32	\$55.00/HR	\$	1,760.00
RLS-REGISTERED LAND SURVEYOR	0	\$65.00/HR	\$	-
SC-2-MAN SURVEY CREW	0	\$95.00/HR	\$	-
PR/SMS - PRINCIPAL/SENIOR MATERIALS SPECIALIST	20	\$85.00/HR	\$	1,700.00
ST - SOILS TECHNICIAN	180	\$45.00/HR	\$	8,100.00
LM/ET - LAB MANAGER and/or ENGINEERING TECHNICIAN	720	\$55.00/HR	\$ 3	9,600.00
CL - CLERICAL	42	\$40.00/HR	\$	1,680 00
Laboratory Testing			\$	1,600.00
Supplies, Mileage, Miscellaneous			\$	250.00
SubTotal	·		\$ 8	7,305.00
TOTAL ESTIMATED ENGINEERING FEES				

Summary

Bidding Phase (Not Included)	
Construction Phase Services	 \$87,305.00
Total Fees	\$87,305.00