

BAREIS ENGINEERING, INC.
AGREEMENT FOR PROFESSIONAL SERVICES

CLIENT: City of Rapid City – Public Works Division
300 Sixth Street
Rapid City, SD 57701

PROJECT: Canyon Lake Dam Maintenance – Plans and Specifications
Project No. DR04-1433

INTRODUCTION:

Bareis Engineering, Inc. (BAREIS) agrees to provide engineering services to the City of Rapid City (CLIENT) according to the terms of this Agreement. Specifically, BAREIS will evaluate existing conditions at Canyon Lake Dam, develop a Design Report outlining findings and recommendations, provide plans, specifications, and a cost estimate for a maintenance contract to be let in the Fall of 2005, and provide bidding, construction observation and technical assistance during the work. Basic services to be provided are based upon our interpretation of Request for Proposal letter dated June 3, 2005 from Mr. Dion Lowe. Services to be provided are detailed in Exhibit A - Scope of Services and Fee Estimate, and in accordance with the provisions of Exhibit B - Provisions and Fee Schedule.

PROJECT DESCRIPTION:

The Canyon Lake Dam spillway is located approximately 900-feet west of the intersection of Park Drive and Falls Drive. In July of 2004 a boiling action was observed near the spillway apron toe downstream of the spillway weir. Visual inspections as well as a comprehensive underwater survey and dye testing investigation have indicated a piping action occurring under the spillway slab from a sink hole in the pool area to the spillway toe. Minor erosion/undermining of the southeast wingwall/spillway abutment and cracking and seeping on the southeast wingwall were also observed.

The City of Rapid City proposes to hire an engineering consultant to evaluate existing conditions at the dam and develop maintenance and repair specifications for alleviating the above concerns.

PAYMENT:

Payment to BAREIS will be on the basis of labor and reimbursable expenses as defined in the attached exhibits. Reimbursable expenses will be limited to plotting and printing expenses only, and will not exceed the amount shown in the Fee Estimate. BAREIS will submit invoices every month, or on a schedule acceptable to the CLIENT.

The fee for services provided will not exceed the fixed, aggregate amount of \$ 12,840.00. This fee does not include sales tax. If sales or other taxes and fees are charged for BAREIS's services, they will be

added to the actual billing and CLIENT is responsible to compensate BAREIS in an amount to pay for such additional fees and taxes. PW071205-05

Work outside the scope described in Exhibit A would be performed on the basis of labor and reimbursable expenses (as defined in the attached Exhibit B - Provisions and Fee Schedule), or as otherwise negotiated and is not part of the fixed, not-to-exceed amount.

TIME:

BAREIS's services will commence upon receipt of Notice-to-Proceed from CLIENT. Services will continue through completion and close-out of the Project.

SUMMARY:

In the event a task was not specifically identified in the Scope of Services (Exhibit A) of the Agreement, or where additional services are found necessary as a result of changes in scope of the project, both parties agree to negotiate an equitable adjustment for incorporating the task into this Agreement.

This Agreement and said Exhibits may only be changed by written amendment executed by both parties. This Agreement, together with the Exhibits identified above and attached hereto, constitute the entire agreement between CLIENT and BAREIS and supersedes all prior written and oral understandings. BAREIS's services are defined solely by this Agreement and not by any other contract or agreement that may be associated with this Project.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement as of the date and year written below.

THE CITY OF RAPID CITY, SOUTH DAKOTA

BY: _____
Jim Shaw, Mayor

ATTEST:

Finance Officer

Date: _____

BAREIS ENGINEERING, INC.

BY: _____
Stephen Bareis, President

Date: 07/01/05

EXHIBIT A - SCOPE OF SERVICES AND FEE ESTIMATE**PROJECT:** Canyon Lake Dam Maintenance – Plans and Specifications – No. DR04-1433**CLIENT:** City of Rapid City Engineering Division
Mr. Dion Lowe, Project Engineer**DATE:** June 28, 2005

Bareis Engineering, Inc. (BAREIS) proposes to provide engineering services for evaluation of existing conditions at Canyon Lake Dam, developing a Design Report which outlines findings and recommendations, providing plans, specifications, and cost estimate for a maintenance contract to be let in the Fall of 2005, and providing construction observation and technical assistance during the work. Basic services to be provided are based upon our interpretation of Request for Proposal letter dated June 3, 2005 from Mr. Dion Lowe. The task descriptions below include an estimate of labor hours, shown in parentheses.

The total fees shown in the Fee Estimate are a not-to-exceed amount, and the City of Rapid City (CLIENT) will be billed for only those services actually provided and reimbursable costs actually spent. The labor rates shown in Exhibit B will remain unchanged for the life of this project.

BASIC SERVICES**TASK 1. - EVALUATION**

1. Pre-maintenance Meeting with City Engineering (2)
2. Field inspection of dam and appurtenances. (4)
3. Review of construction record drawings, maintenance records, diving inspections and reports, and other historical data to be furnished by City Engineering. (4)
4. Contacts with dam professionals, SD DENR, SD GF&P, US Bureau of Reclamation and other agencies having interest, regulatory control, or pertinent experience related to this project. (6)
5. Review of industry literature related to foundation grouting/seepage control. (2)
6. Preparation and submittal of Design Report, to summarize findings and recommend short-term and long-term corrective actions for maintenance work. (10)
7. Meeting to discuss Design Report. (2)

TASK 2. – DRAFT PLANS, SPECIFICATIONS, TIME LINE, AND COST ESTIMATE

1. Develop preliminary plan view and standard detail designs (sketches) for project. (8)
2. Write specifications, using earlier RC maintenance specifications as a guideline. Specific maintenance activities to include requirements outline in City Engineering RFP letter of 06/03/05. (8)
3. Develop preliminary sequence of work and timeline. (4)

4. Develop preliminary opinion of probable construction cost. (6)
5. Submit preliminary specification package for review.
6. Meet with city staff and other regulatory agencies to review recommended actions and resolve conflicts. (4)

TASK 3. – DETAILED SPECIFICATIONS AND FINAL OPINION OF PROBABLE COST

1. Make revisions to plans and specifications based on comments received at review meeting. (12)
2. Drafting of plans (10 hours – CADD Technician). Note: At the option of the city engineering, plans may not be required to meet all RC Standard Drafting Criteria. Also, at discretion of city staff, neat, hand-drawn renditions of work may be accepted.
3. Prepare final opinion of probable cost. (2)

TASK 4. – BIDDING AND CONSTRUCTION SERVICES

1. Printing and distribution of spec package to interested Contractors, and notice on City web site to be done by city staff. BAREIS will assist in publicizing the project.
2. Conduct Pre-bid Meeting at the dam. (3)
3. Answer bidder's questions and prepare addenda, if necessary. (8)
4. Assist in evaluating bids and preparing bid tabulation. (3)
5. Conduct Pre-construction Meeting and record minutes. (6)
6. Review shop drawings and other submittals. (12)
7. Periodic site visits to document conditions encountered and verify adequacy of design. Provide photos and daily field report to City Engineering. (an average of two visits per week at 3 hours per visit x 8 weeks = 48 hours)
8. Provide technical assistance when requested by Contractor. When unforeseen circumstances are encountered, develop alternate designs for additional maintenance or investigation work. (16)
9. Conduct final inspection and verify final quantities. (5)
10. Prepare as-built plans. (2)

EXCLUSIONS

1. Printing and distribution of plans and specifications.
2. Geotechnical investigations are not included in this Scope of Services.
3. Construction observation in excess of the hours proposed above is not included in this Scope of Services. Hours may be increased under an amendment to the Agreement by mutual acceptance of BAREIS and CLIENT.
4. Materials testing is not included in this Scope of Services and will be incorporated into the maintenance contract as a "Contractor responsibility."

EXHIBIT A - FEE ESTIMATE

PROJECT: Canyon Lake Dam Maintenance - Plans and Specifications
Project No. DR04-1433

CLIENT: City of Rapid City - Engineering Division
300 Sixth Street
Rapid City, SD 57701 Phone: (605) 394-5377

DATE: June 28, 2005

Evaluation of existing conditions, development of plans and specifications, and construction services are detailed in Exhibit A - Scope of Services. Notice-to-Proceed assumed to be on or about 07/08/05.

DETAILED FEE ESTIMATE:

Task 1 - July 8 - August 8, 2005: Initial Findings and Recommendations.
Task 2 - August 9 - August 26, 2005: Draft Specifications and Preliminary Cost Estimate.
Task 3 - August 27 - September 9, 2005: Detailed Specifications and Final Cost Estimate.
Task 4 - TBD: Bidding Services, Construction Observation and Technical Assistance.

TASK 1 - LABOR:

Project Engineer	30 hours	x	\$70.00	=	\$2,100.00
Subtotal Labor					<u>\$2,100.00</u>

TASK 2 - LABOR:

Project Engineer	30 hours	x	\$70.00	=	\$2,100.00
Subtotal Labor					<u>\$2,100.00</u>

TASK 3 - LABOR:

Project Engineer	14 hours	x	\$70.00	=	\$980.00
CADD Drafting Tech.	10 hours	x	\$45.00	=	\$450.00
Subtotal Labor					<u>\$1,430.00</u>

TASK 4 - LABOR:

Project Engineer	103 hours	x	\$70.00	=	\$7,210.00
Subtotal Labor					<u>\$7,210.00</u>

TOTAL FEE ESTIMATE**\$12,840.00**

EXHIBIT B - PROVISIONS AND FEE SCHEDULE

GENERAL. The successful completion within cost and schedule limits can be influenced - favorably or adversely - by changes in the scope of services and schedules as indicated by CLIENT's needs and presently unforeseen circumstances. ENGINEER (Bareis Engineering, Inc.) will notify CLIENT in advance if scheduled costs are expected to exceed the estimate. In such events, CLIENT may wish to: 1) authorize additional funds to complete the services as originally defined, 2) re-define the scope of services in order to fit the remaining funds, or 3) request that services be stopped at a specific expenditure level. If option 3 is chosen, ENGINEER will turn over such data and results, and materials completed at the authorized level without further obligation or liability by either party except for payment for services performed.

AUTHORIZATION TO PROCEED. Execution of this Agreement by the CLIENT will be authorization for ENGINEER to proceed with the services unless otherwise provided for in this Agreement.

STANDARD OF CARE. The standard of care for all professional engineering and related services performed or furnished by ENGINEER under this Agreement will be the care and skill ordinarily used by members of ENGINEER's profession practicing under similar conditions at the same time and in the same locality. ENGINEER makes no warranties, expressed or implied, under this Agreement or otherwise, in connection with ENGINEER's services.

PAYMENT. Invoices will be submitted and will include the charges incurred during the preceding month. Payment of the invoice is due within thirty (30) days following receipt of ENGINEER's invoice. The amounts due ENGINEER will be increased at the rate of 1½% per month from said thirtieth day. Any attorney's fee or other costs incurred in collecting delinquent amounts shall be paid by the CLIENT. ENGINEER may, after giving seven days' written notice to CLIENT, suspend services under this Agreement until ENGINEER has been paid in full all amounts due for services, expenses and charges.

TERMINATION. This Agreement may be terminated for convenience on 30 days written notice, or for cause, if either party fails substantially to perform through no fault of the other and does not commence correction of such nonperformance within 5 days of written notice and diligently complete the correction thereafter. On termination, ENGINEER will be paid for all authorized

services performed up to the termination date plus termination expenses such as, but not limited to, reassignment of personnel, subcontract termination cost, and related closeout costs. If no notice of termination is given, relationships and obligations created by this Agreement will be terminated upon completion of all applicable requirements of this Agreement.

SEVERABILITY AND SURVIVAL. If any of the provisions in the Agreement are held illegal, invalid or unenforceable, the enforceability of the remaining provisions shall not be impaired thereby. Limitations of liability and indemnities shall survive termination of the Agreement for any cause.

INTERPRETATION. The laws of the State of South Dakota shall govern the validity of this Agreement, its interpretation and performance, and any other claims related to it, except Asbestos or Hazardous Substances.

NO THIRD PARTY BENEFICIARIES. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against ENGINEER and ENGINEER's officers, directors, employees, agents and ENGINEER's consultants. ENGINEER's services under this Agreement are being performed solely for CLIENT's benefit, and no other entity shall have any claim against ENGINEER and ENGINEER's officers, directors, employees, agents and ENGINEER's consultants because of this Agreement or the performance or non-performance of services hereunder.

ASBESTOS/HAZARDOUS SUBSTANCES. To the maximum extent permitted by law, the CLIENT will indemnify and defend ENGINEER and its officers, directors, employees, ENGINEER's consultants and agents, from claims, damages, losses and expenses, including, but not limited to, direct, indirect or consequential damages and attorney's fees, in excess of the Limitation of Liability, arising out of or relating to the presence of asbestos or the presence, discharge, release, or escape of hazardous substances or contaminants on or from the Project. The indemnity in this provision will be construed and enforced according to the laws of the place of business of the ENGINEER.

SITE ACCESS. CLIENT shall guarantee access to and make all provisions for ENGINEER to enter upon public and private property for the purposes of performing its

services in accordance with this Agreement.

CONSTRUCTION PERIOD SERVICES. If required by the Agreement, ENGINEER will make visits to the site at intervals appropriate to the various stages of construction as ENGINEER deems necessary (or as defined in the Agreement) in order to observe as an experienced and qualified design professional the quality of the various aspects of the construction contractor's work. The purpose of ENGINEER's visits to the site will be to enable ENGINEER to better carry out the duties and responsibilities assigned to and undertaken by ENGINEER during the construction phase, and in addition, by exercise of ENGINEER's efforts as an experienced design professional, to provide for CLIENT a greater degree of confidence that the completed work of construction contractor will conform generally to the construction contract documents. On the other hand, ENGINEER shall not, during such visits or as a result of such observations of construction contractor's work in progress, supervise, direct or have control over contractor's work nor shall ENGINEER have authority over or responsibility for the means, methods, techniques, sequences or procedures of construction selected by contractor, for safety precautions and programs incident to the work or contractor or for any failure of contractor to comply with laws, rules, regulations, ordinances, codes or orders applicable to contractor's furnishing and performing its work. Accordingly, ENGINEER can neither guarantee the performance of the construction contracts by contractor nor assume responsibility for contractor's failure to furnish and perform the work in accordance with the contract documents. ENGINEER shall not be responsible for the acts or omissions of any contractor, or of any subcontractor or supplier's agents or employees or any other persons (except ENGINEER's own employees and agents) at the site or otherwise furnishing or performing any of the contractor's work.

PROJECT SAFETY. The CLIENT agrees that in accordance with generally accepted construction practices, the construction contractor will be required to assume sole and complete responsibility for job site conditions during the course of construction of the Project, including safety of all persons and property, and that this requirement shall apply continuously and not be limited to normal working hours.

INDEMNIFICATION. The CLIENT agrees, to the fullest extent permitted by law, to indemnify and hold harmless the ENGINEER and ENGINEERS's employees, directors, and subconsultants against all

damages, liabilities or costs, including reasonable attorney's fees and defense costs, to the extent caused by the CLIENT's negligent acts in connection with the Project and the acts of its contractors, subcontractors or consultants or anyone for whom the CLIENT is legally liable.

SCHEDULE OF FEES. For projects to be paid on the basis of hourly rates and expenses, the charge for all time required in the performance of the Scope of Services, including office, field and travel time, will be at the unit price hourly rates set forth below for the labor classifications indicated.

If the project is to be paid on a Lump Sum Fee basis of payment, the Lump Sum Fee shall govern and be paid on a monthly basis in accordance with the estimated percentage of completion. The following hourly rates and expenses would be used in the event ENGINEER was required by CLIENT to perform additional services, unless a new Lump Sum Fee is negotiated.

The schedule listed below details typical project related reimbursable expenses. However, ENGINEER may have other expenses not listed in the following schedule. CLIENT will compensate ENGINEER for the actual cost of other project related reimbursable expenses not otherwise listed below.

SCHEDULE OF FEES

Bareis Engineering, Inc. ♦ Rapid City, South Dakota
Effective January 2005

LABOR

Clerical	\$ 26.00 Per Hour
Drafter	\$ 45.00 Per Hour
Two-man Survey Crew	\$ 85.00 Per Hour
Staff Engineer (EIT).....	\$ 52.00 Per Hour
Project Engineer (PE).....	\$ 70.00 Per Hour

REIMBURSABLE EXPENSES

Auto or Pickup	\$0.40 Per Mile
Meals, Lodging and Transportation Costs	N/A
Printing and Plotting	Actual Cost
Capital Equipment Required for the Project	N/A
Subconsultants	Actual Cost

*The above labor and reimbursable expense rates are firm through December 31, 2005.
We reserve the right to adjust the rates annually, thereafter. Additional job classifications
may be added to reflect staff changes or promotions.*



*This schedule of fees contains confidential business information and is not to be copied
or distributed for any purpose other than the use intended in this contract or proposal.*