Contract for Engineering Services

THIS CONTRACT, executed by the CITY OF COUNCIL BLUFFS, IOWA, FIRST PARTY, hereinafter referred to as the CONTRACTING AUTHORITY; and HGM ASSOCIATES INC., 640 Fifth Avenue, Council Bluffs, Iowa, 51501-6427, SECOND PARTY, hereinafter referred to as the ENGINEER; made this _____ day of _____, 20_____, in consideration of the mutual covenants hereinafter:

WHEREAS, the CONTRACTING AUTHORITY proposes to make the following improvements described as:

EAST MANAWA SUBDIVISION – PHASE 1
CITY OF COUNCIL BLUFFS, IOWA
CITY PROJECT NO. CD 25-04
HGM PROJECT NO. 150624

WHEREAS, the CONTRACTING AUTHORITY desires to employ the ENGINEER to perform General Consulting and Construction Phase Engineering Services for the above designated improvement program as described in the following general Scope of Services:

I. Scope of Services:

A. Meet with the CONTRACTING AUTHORITY to define the project and to prepare a detailed scope of services for the project.

B. Conduct a topographic survey of defined project area in sufficient detail to prepare construction plans.

C. Prepare plans and specifications for the construction of the project improvements. There will be four submittals: 30%, 60%, 95% and Final.

D. Provide bid phase services as follows: preparation of final opinion of probable cost; distribution of bid documents, plans and specifications; attend letting; check and tabulate bids; and prepare letter of recommendation regarding award of construction contract for improvements.

E. Provide engineering services during construction phase including part-time construction observation to allow the ENGINEER to prepare a statement that improvements have been completed in substantial compliance with the plans and specifications. Services will include a project representative, construction contract administration, staking of proposed construction improvements and the preparation of record drawings at the completion of construction.

F. Provide project management services including coordination of other subconsultants or consulting services as directed by the CONTRACTING AUTHORITY.

G. Additional services, as authorized in writing by the CONTRACTING AUTHORITY, requiring the use of other subconsultants or commercial testing laboratories.

H. Prepare, as authorized in writing by the CONTRACTING AUTHORITY, right-of-way plats and descriptions, easement descriptions, outside permits and special assessments.

WHEREAS, the ENGINEER desires to accept the said employment under the terms and conditions hereinafter outlined.

NOW, THEREFORE, IT IS AGREED AND STIPULATED by and between the parties hereto as follows:

II. Terms and Conditions:

A. The ENGINEER agrees to:

1. Provide all office and field equipment and supplies to perform such duties designated in the scope of services.

2. Provide, in addition to his own professional services, the necessary personnel to perform such duties as shall be designated by the CONTRACTING AUTHORITY and to act under the direction of said authority.

B. The CONTRACTING AUTHORITY agrees to employ and pay the ENGINEER under the following terms and conditions:

1. For items I.A. and I.F. of the scope of services, the fees will be computed on an hourly basis by multiplying the ENGINEER'S payroll costs times 2.19 with a negotiated "not to exceed" maximum amount.

2. For items I.B., I.C., and I.D. of the scope of services, the fees will be a negotiated lump sum amount for each of these services.

3. For item I.E. of the scope of services, the fees will be computed on an hourly basis by multiplying the ENGINEER'S payroll cost times 2.19 with negotiated maximum amount based on a percent (%) of the *averaged construction cost amount*. The *averaged construction cost amount* shall be equal to the average amount of the bid amount of the two (2) low bidders.

4. For item I.G. the fee will be the actual cost as billed by the subconsultant or commercial testing laboratory.

5. For item I.H. the fees will be computed on an hourly basis by multiplying the ENGINEER'S payroll cost times 2.19.

6. For additional services performed by the ENGINEER as authorized in writing by the CONTRACTING AUTHORITY the fees will be computed on an hourly basis by multiplying the ENGINEER'S payroll cost times 2.19.

7. All engineering and related fees will be billed on a monthly basis for services rendered during the specific period.

8. The payroll cost used as a basis for payment shall mean the salaries and wages paid to principals and employees engaged directly on the project, including--but not limited to -- engineers, architects, surveyors, designers, drafters, specification writers, estimators, other technical personnel, stenographers, typists, and clerks; plus the cost of fringe benefits including -- but not limited to -- social security contributions, unemployment, excise and payroll taxes, workmen's compensation, health and retirement benefits, sick leave, vacation and holiday pay applicable thereto. The payroll cost will be determined by multiplying actual payroll times 1.4612.

C. GENERAL CONDITIONS:

1. Ownership of Documents:

Both parties agree that the ownership of documents prepared by the ENGINEER at the direction of the CONTRACTING AUTHORITY, including specifications, drawings, maps, plats, and other related documents, shall be and remain property of the CONTRACTING AUTHORITY; and further, that such right in the CONTRACTING AUTHORITY shall not preclude the right of the ENGINEER to make and retain copies of same, to which copies ENGINEER shall have full right of ownership.

2. Termination of Agreement:

This agreement, or any portion thereof, may be terminated immediately upon written notice by the CONTRACTING AUTHORITY. In event such Notice of Termination shall be given by the CONTRACTING AUTHORITY, the payment for unbilled Engineering Services for work performed prior to the date of termination shall be determined by multiplying the ENGINEER'S payroll cost times 2.19, plus outside expense.

3. Revision of Completed Documents of Service:

Drafts of documents of service shall be submitted to the CONTRACTING AUTHORITY by the ENGINEER for review and comment. The comments received from the CONTRACTING AUTHORITY and the reviewing agencies shall be incorporated by the ENGINEER prior to submission of the final work product by the ENGINEER. Documents of service revised in accordance with review comments shall constitute "satisfactorily completed and accepted work." Requests for changes on documents of service by the CONTRACTING AUTHORITY shall be in writing. In the event there are no comments from the CONTRACTING AUTHORITY or reviewing agencies to be incorporated by the ENGINEER into the final document of service, the CONTRACTING AUTHORITY shall immediately notify the ENGINEER, in writing, that the document of service is considered to constitute "satisfactorily completed and accepted work."

In the event that the document of service prepared by the ENGINEER is found to be inadequate and revision or reworking of the document of service is necessary, the ENGINEER agrees that it shall do such revising without expense to the CONTRACTING AUTHORITY, even though final payment may have been received. The ENGINEER must give immediate attention to these changes so there will be a minimum of delay in the project.

Should the CONTRACTING AUTHORITY find it desirable to have previously satisfactorily completed and accepted document of service or parts thereof revised, the ENGINEER shall make such revisions if requested and directed by the CONTRACTING AUTHORITY in writing. This work will be paid for as provided in Section II.B.6.

4. Extra Work/Changes in Scope:

If the ENGINEER is of the opinion that any work it has been directed to perform is beyond the scope of this Agreement, and constitutes "Extra Work," the ENGINEER shall promptly notify the CONTRACTING AUTHORITY in writing to that effect. In the event that the CONTRACTING AUTHORITY determines that such work does constitute "Extra Work," the CONTRACTING AUTHORITY shall provide extra compensation to the ENGINEER as provided in Section II.B.6. or at a negotiated lump sum. Unless written approval from the CONTRACTING AUTHORITY for "Extra Work" has been secured in advance from the ENGINEER, no claims will be allowed. However, the CONTRACTING AUTHORITY shall have benefit of the service rendered.

5. Indemnification:

The ENGINEER agrees to indemnify and save harmless the City, its officers, agents, and employees from and against any and all claims including reasonable attorneys' fees and defense costs arising out of the negligent acts, errors, or omissions of the ENGINEER, its officers, agents, and employees in the execution of the services specified in this Agreement.

In recognition of the relative risks and benefits of the project to both the City and ENGINEER, the risks have been allocated such that the City agrees, to the fullest extent permitted by law, to limit the liability of the ENGINEER and their sub-consultants to the OWNER and to all construction contractors and subcontractors on the project for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, so that the total aggregate liability of the ENGINEER and their sub-consultants to all those named shall not exceed $2,000,000.00. Such claims and causes include negligence, professional errors or omissions, strict liability, breach of contract or warranty.

6. Insurance:

The ENGINEER shall maintain insurance to protect the ENGINEER from claims under Worker's-Compensation Acts; claims due to personal injury or death of any employees or any other person; claims due to injury or destruction of property; and claims arising out of errors, omissions, or negligent acts for the ENGINEER is legally liable. The amounts and extent of such insurance is as follows:

1. Professional Liability - $2,000,000 each claim; $2,000,000 aggregate
2. Vehicle Coverage
   Bodily Injury - $1,000,000 combined single limit (each accident)
3. Worker's Compensation - $100,000 each accident
4. General Liability - $1,000,000 each occurrence and $2,000,000 aggregate

7. Dispute Resolution – Arbitration:

Any controversy or claim arising out of this Agreement may, if both parties agree, be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association.

The cost of the arbitration, if any, will be divided equally between the OWNER and the ENGINEER.

8. Engineer's Responsibility:

The ENGINEER shall be responsible for the professional quality and technical accuracy of all services furnished by the ENGINEER under this Agreement, except for that work provided by OWNER. The ENGINEER shall, without additional compensation, correct or revise any error or deficiencies in his work. Approval of the OWNER of any such work shall not in any way relieve the ENGINEER of responsibility for the technical accuracy and adequacy of said services. The OWNER's review, approval or acceptance of, or payment for any of the services shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

9. Successors and Assigns:

Both parties agree that, upon execution of this agreement, same shall be binding upon their/its successors, assigns, and legal representatives until terminated by the expiration of agreement or termination by written notice, as provided above.

10. Title VI Requirements:

Appendix "A" attached to this Agreement lists Title VI requirements that are part of this Agreement.

(Signature page to follow)

Dated this _____ day of_____, 20_____.

CITY OF COUNCIL BLUFFS, IOWA * FIRST PARTY
CONTRACTING AUTHORITY

By:_____ Attest:_____
Mayor: Matthew J. Walsh City Clerk: Jodi Quakenbush

HGM ASSOCIATES INC. * SECOND PARTY
ENGINEER

By:_____ Attest:_____
Terrence L Smith, P.E. Paul J. Gonzales, P.E.
President Project Manager

APPENDIX "A"

During the performance of this contract, the Engineer, for itself, its assignees and successors in interest (hereinafter referred to as the "Engineer") agrees as follows:

1. Compliance with Regulations: The Engineer shall comply with the Regulations relative to nondiscrimination in federally-assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the "Regulations"), which are herein incorporated by reference and made a part of this contract.

2. Nondiscrimination: The Engineer, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, national origin, sex, age, or disability in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The Engineer shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix "B" of the Regulations.

3. Solicitations for Subcontracts, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the Engineer for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Engineer of the Engineer 's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, national origin, sex, age, or disability.

4. Information and Reports: The Engineer shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the City of Council Bluffs, the Iowa Department of Transportation or Federal Highway Administration to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of an engineer is in the exclusive possession of another who fails or refuses to furnish this information, the Engineer shall so certify to the City of Council Bluffs, the Iowa Department of Transportation or the Federal Highway Administration as appropriate, and shall set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance: In the event of the Engineer's noncompliance with the nondiscrimination provisions of this contract, the City of Council Bluffs shall impose such contract sanctions as it, the Iowa Department of Transportation or the Federal Highway Administration may determine to be appropriate, including, but not limited to:

    a. withholding of payments to the Engineer under the contract until the Engineer complies; and/or,
    b. cancellation, termination or suspension of the contract, in whole or in part.

6. Incorporation of Provisions: The Engineer shall include the provisions of Paragraphs (1) through (6) in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The Engineer shall take such action with respect to any subcontract or procurement as the City of Council Bluffs, the Iowa Department of Transportation or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for non-compliance; provided, however, that, in the event an engineer becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the Engineer may request the City of Council Bluffs or the Iowa Department of Transportation to enter into such litigation to protect the interests of the City of Council Bluffs or the Iowa Department of Transportation; and, in addition, the Engineer may request the United States to enter into such litigation to protect the interests of the United States.