

AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 2014, by and between the City of Reno and the City of Sparks, hereinafter referred to as the "CLIENT", and Carollo Engineers, Inc., hereinafter referred to as "ENGINEER":

WITNESSETH:

WHEREAS, CLIENT desires to provide engineering support services for the TMWRF Gas Conditioning System Project, hereinafter referred to as "Project";

WHEREAS, public convenience and necessity require the services of a consulting engineer to provide the services required;

WHEREAS, the CLIENT has found ENGINEER qualified and experienced in the performance of said services;

WHEREAS, the CLIENT is desirous of engaging the services of ENGINEER to perform said services; and

NOW, THEREFORE, said CLIENT and said ENGINEER, for the considerations hereinafter set forth, mutually agree as follows:

ARTICLE I - SERVICES

CLIENT agrees to retain and does hereby retain ENGINEER to perform the professional engineering services hereinafter more particularly described, with such services to commence on the date of the execution of this Agreement and to continue until the completion of the work provided for herein.

ENGINEER hereby agrees to perform the professional services as set forth herein and to furnish or procure the use of incidental services, equipment, and facilities necessary for the completion of said engineering services.

ENGINEER has the status of an independent contractor as defined in NRS 333.700 and shall not be entitled to any of the rights, privileges, benefits, and emoluments of either an officer or employee of CLIENT. ENGINEER shall undertake performance of services as independent contractor and shall be wholly responsible for the methods of performance and for their performance.

ARTICLE II - SCOPE OF SERVICES

The Scope of Services is set forth in Attachment A as attached hereto and incorporated herein by this reference which consists of 6 pages setting forth tasks and the schedule of tasks.

ARTICLE III - COMPENSATION

Payment for the engineering services hereinabove set forth shall be made by the CLIENT to the ENGINEER and shall be considered as full compensation for all personnel, materials, supplies, and equipment used in carrying out the work.

A. Compensation to the ENGINEER shall be on the basis of time and expense as set forth in Exhibit A attached hereto and incorporated herein by this reference.

B. Payments shall be made by the CLIENT based on itemized invoices from the ENGINEER which lists costs and expenses. Such payments shall be for the invoice amount.

C. CLIENT shall pay ENGINEER within 30 days of receipt by CLIENT of ENGINEER's invoice. If CLIENT disputes only portions of an invoice, CLIENT agrees to pay for undisputed items on that invoice within the time provided herein. Payment by CLIENT of invoices or request for payment shall not constitute acceptance by CLIENT of work performed under the Agreement by the ENGINEER. ENGINEER shall invoice the City of Reno for the full amount. The City of Reno will invoice the City of Sparks for reimbursement of their share of fees and costs.

D. The budget for total charges for services authorized by this Agreement is \$452,156.00 and shall not be exceeded without authorization of the CLIENT. The City of Reno's share is the sum of \$310,314.66 and the City of Spark's share is the sum of \$141,841.34. The budget may be increased by amendment hereto if necessitated by a change in the scope of services which increases the cost of providing the services. ENGINEER is not authorized to provide any additional services beyond the scope of work without having authorized funding pursuant to a written amendment hereto signed by the authorized representative of the governing body.

ARTICLE IV - SCHEDULE OF WORK

ENGINEER will commence the services as described immediately following the Notice to Proceed provided to the ENGINEER by the CLIENT and will proceed with such services in a diligent manner. ENGINEER will not be responsible for delays caused by factors beyond ENGINEER's control and will not be responsible for delays caused by factors which could not reasonably have been foreseen at the time the Agreement was approved.

ARTICLE V - ASSIGNMENT OF AGREEMENT

The ENGINEER SHALL not assign this Contract or any portion of the work without prior written approval of the CLIENT which may be withheld for any reason whatsoever.

ARTICLE VI- OWNER'S RESPONSIBILITY

CLIENT shall provide any information in its possession that is requested by ENGINEER and is necessary to complete the Project. CLIENT shall assist ENGINEER in obtaining access to public and private lands to allow the ENGINEER to perform the work under this Agreement. CLIENT shall examine all studies, reports, sketches, estimates, specifications, drawings, proposals, and other documents presented by the ENGINEER and shall render decisions pertaining thereto within a reasonable time so as not to delay the work of the ENGINEER.

ARTICLE VII - NONDISCLOSURE OF PROPRIETARY INFORMATION

ENGINEER shall consider all information provided by CLIENT to be proprietary unless such information is available from public sources. ENGINEER shall not publish or disclose proprietary information for any purpose other than the performance of the Services without the prior written authorization of CLIENT or in response to legal process or as required by the regulations of public entities.

ARTICLE VIII - NOTICE

Any notice, demand, or request required by or made pursuant to this Agreement shall be deemed properly made if personally delivered in writing or deposited in the United States mail, postage prepaid, to the address specified below:

To ENGINEER:
Rick Chan, P.E.
Vice President
Carollo Engineers, Inc.
2700 Ygnacio Valley Road, Suite 300
Walnut Creek, CA. 94598

To: CLIENT
Neil C. Krutz, P.E.
Community Services Director
City of Sparks
If by personal service
431 Prater Way
Sparks, NV 89431
If by mail
PO Box 857
Sparks, NV 89432

To CLIENT:
John Flansberg, P.E.
Director of Public Works
City of Reno
If by personal service
1 East First Street
Reno, NV 89501
If by mail
P.O. Box 1500
Reno, NV 89505

Nothing contained in this Article shall be construed to restrict the transmission of routine communications between representatives of ENGINEER and CLIENT.

ARTICLE IX - UNCONTROLLED FORCES

Neither CLIENT nor ENGINEER shall be considered to be in default of this Agreement, if delays in or failure of performance shall be due to uncontrollable forces the effect of which, by the exercise of reasonable diligence, the non-performing party could not avoid and is not reasonably foreseeable at the time of entering into this Agreement. The term "uncontrollable forces" shall mean any event which results in the prevention or delay of performance by a party of it's obligations under this Agreement and which is beyond the control of the non-performing party. It includes, but is not limited to, fire, flood, earthquakes, storms, lightning, epidemic, war, riot, civil disturbance, sabotage, inability to procure permits, licenses, or authorizations from any state, local, or federal agency or personal for any of the supplies, material, accesses, or services required to be provided by either CLIENT or ENGINEER under this Agreement, strikes, work slowdowns or other labor disturbances, and judicial restraint. ENGINEER shall be paid for services performed prior to the delay.

Neither party shall, however, be excused from performance if nonperformance is due to uncontrollable forces, which are removable. The provisions of this Article shall not be interpreted or construed to require ENGINEER or CLIENT to prevent, settle, or otherwise avoid a strike, work slowdown, or other labor action. The non-performing party shall upon being prevented or delayed from performance by an uncontrollable force immediately give written notice to the other party describing the circumstances and uncontrollable forces preventing continued performance of the obligation of this Agreement.

ARTICLE X- GOVERNING LAW

This Agreement shall be governed by and construed pursuant to the laws of the State of Nevada. In the event suit is commenced hereunder and in accordance with the Dispute Resolution Procedures of Article XXII, the suit shall be brought in the appropriate court in Washoe County, State of Nevada. In the event of an arbitration or mediation pursuant to Article XXII, such arbitration or mediation shall be held in Reno, Nevada.

ARTICLE XI - SUCCESSORS AND ASSIGNS

CLIENT and ENGINEER each binds itself and their successors, and assigns to the other party to this Agreement and to the successors, and assigns of such other party, in respect to all covenants, agreements and obligations or this Agreement.

ARTICLE XII - ASSIGNMENT

Neither CLIENT nor ENGINEER shall assign, sublet, or transfer any rights under interest in (including, but without limitation, monies that may become due or monies that are due) this Agreement without the written consent of the other, except to the extent that the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent ENGINEER from employing such independent consultants, associates, and subconsultants as she may deem appropriate to assist her in the performance of the Services hereunder.

ARTICLE XIII - INDEMNIFICATION

To the fullest extent permitted by law, ENGINEER shall defend, indemnify and hold harmless CLIENT and its officers, employees and agents (collectively "Indemnitees") from any liabilities, damages, losses, claims, actions or proceedings, including, without limitation, reasonable attorneys' fees, that are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the ENGINEER or employees or agents of the ENGINEER in the performance of this Agreement.

ENGINEER assumes no liability for the negligence or willful misconduct of any indemnitee or other consultants of indemnitee.

ENGINEER'S indemnification obligations for claims involving Professional Liability (claims involving acts, error, or omissions in the rendering of professional services and Economic Loss Only (claims involving economic loss which are not connected with bodily injury or physical damage to property) shall be limited to the proportionate extent of ENGINEER'S negligence or other breach of duty.

If CLIENT's personnel (engineers or other professionals) are involved in defending such legal action, ENGINEER shall also reimburse CLIENT for the time spent by such personnel at the rate charged for such services by private professionals. These provisions shall survive termination of this agreement and shall be binding upon ENGINEER, her legal representatives, heirs, successors and permitted assigns.

If ENGINEER'S insurer does not so defend the CLIENT and the ENGINEER is adjudicated to be liable, reasonable attorney's fees and costs shall be paid to CLIENT in an amount proportionate to the liability of ENGINEER.

ARTICLE XIV - INTELLECTUAL PROPERTY INDEMNITY

To the fullest extent permitted by law, ENGINEER shall defend, protect, hold harmless, and indemnify CLIENT and the CLIENT'S related Parties from and against any and all liability, loss, claims, demands, suits, costs, fees and expenses (including actual fees and expenses of attorneys, expert witnesses, and other consultants), by whomsoever brought or alleged, for

infringement of patent rights, copyrights, or other intellectual property rights, except with respect to designs, processes or products of a particular manufacturer expressly required by CLIENT in writing. If ENGINEER has reason to believe the use of a required design, process or product is an infringement of a patent, ENGINEER shall be responsible for such loss unless such information is promptly given to CLIENT. This Indemnity Covenant shall survive the termination of this Agreement.

ARTICLE XV – PAYMENT OF TAXES

Any and all Federal, State and local taxes, charges, fees, or contributions required by law to be paid with respect to ENGINEER’S performance of this Agreement (including, without limitation, unemployment insurance, social security, and income taxes).

ARTICLE XVI - INSURANCE

GENERAL REQUIREMENTS

The CLIENT requires that ENGINEER purchase Industrial Insurance, General Liability, and Engineer’s Errors and Omissions Liability Insurance as described below against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the ENGINEER, its agents, representatives, employees or subconsultants. The cost of such insurance shall be borne by ENGINEER unless otherwise agreed.

INDUSTRIAL INSURANCE

It is understood and agreed that there shall be no Industrial Insurance coverage provided for ENGINEER or any Subconsultant by the CLIENT and in view of NRS 616.280 and 617.210 requiring that ENGINEER complies with the provisions of Chapters 616 and 617 of NRS, ENGINEER shall, before commencing work under the provision of this Agreement, furnish to the CLIENT a certificate of insurance from the Worker’s Compensation Insurer certifying that the ENGINEER and each Subconsultant have complied with the provisions of the Nevada Industrial Insurance Act, by providing coverage for each and every employee, subconsultants, and independent contractors.

Upon completion of the project, the contractor shall provide the CLIENT with a Final Certificate for itself and each Subconsultant which is prepared by the State of Nevada Industrial Insurance System. If the ENGINEER or Subconsultants are unlicensed and are a sole proprietor, coverage for the sole proprietor must be purchased and evidence of coverage must appear on the Certificate of Insurance and Final Certificate.

It is further understood and agreed by and between the CLIENT and ENGINEER that ENGINEER shall procure, pay for, and maintain the above mentioned industrial insurance coverage at the ENGINEER’S sole cost and expense.

MINIMUM SCOPE OF LIABILITY INSURANCE

Coverage shall be at least as broad as: *

Insurance Services office Commercial General Liability Coverage Occurrence form CG0001 11/85 or Insurance Services Office Comprehensive General Liability form CG0002 Ed 01/73 with the Board Form Comprehensive General Liability Endorsement GL0404.

Insurance Services Office Business Auto Coverage form number CA00 01 12/90 covering Automobile Liability code 1 any auto with changes in Business Auto and Trucker's Coverage forms - Insured Contract Endorsement form number CA00 29 12/88.

*Coverages may be excluded only with prior approval of the CLIENTS' Risk Managers.

Professional Errors and Omissions Liability applying to all activities performed under this Agreement in a form acceptable to CLIENT. ENGINEER will maintain professional liability insurance during the term of this Agreement and for a period of six (6) years from the date of substantial completion of the project. In the event the ENGINEER goes out of business during the term of this Agreement or the six (6) year period described above, ENGINEER shall purchase Extended Reporting coverage for claims arising out of ENGINEER's negligence acts, errors and omissions committed during the term of the Professional Liability Policy.

MINIMUM LIMITS OF INSURANCE

ENGINEER shall maintain limits no less than:

1. General Liability: \$2 million combined single limit per occurrence for bodily injury, personal injury and property damage and \$2 million annual aggregate.
2. ENGINEER's Errors and Omissions Liability: \$2 million per claim and \$2 million as an annual aggregate during the term of this Agreement and for six years after the completion of the project, with each subsequent renewal having a retroactive date which predates the date of this Agreement. The ENGINEER may purchase project insurance or obtain a rider on her normal policy in an amount sufficient to bring ENGINEER's coverage up to minimum requirements, said additional coverage to be obtained at no cost to the CLIENT. Should the CLIENTS' Risk Managers require project insurance, project insurance shall be purchased and premium costs shall be borne by the CLIENT. CLIENT retains option to purchase project insurance through the ENGINEER's insurer or through its own source.

DEDUCTIBLES

Any deductibles must be declared to and approved by the CLIENT Risk Management Divisions. The CLIENT reserves the right to request additional documentation, financial or otherwise prior to giving its approval of the deductibles. Any changes to the deductible made during the term of this Agreement or during the term of any policy, must be approved by the CLIENTS' Risk Managers.

OTHER INSURANCE PROVISIONS

General Liability Coverages

The CLIENT, its officers, officials, employees and volunteers are to be covered as insured as respects: liability arising out of activities performed by or on behalf of the ENGINEER including the insured's general supervision of the ENGINEER; products and completed operations of the ENGINEER; or premises owned, occupied or used by the ENGINEER. The coverage shall contain no special limitations on the scope of protection afforded to the CLIENT, its officers, officials, employees or volunteers.

The ENGINEER's insurance coverage shall be primary insurance as respects the CLIENT, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the CLIENT, its officers, officials, employees or volunteers shall be excess of the ENGINEER's insurance and shall not contribute with it in any way.

Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the CLIENT, its officers, officials, employees or volunteers.

The ENGINEER's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

The ENGINEER's insurance coverage shall be endorsed to state that coverage shall not be suspended, voided, canceled or non-renewed by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the CLIENT.

ACCEPTABILITY OF INSURERS

Insurance is to be placed with an A.M. Best and Company rating level of A - Class VII or better, or otherwise approved by the CLIENT in its sole discretion. CLIENT reserves the right to require that ENGINEER'S insurer be a licensed and admitted insurer in the State of Nevada, or on the Insurance Commissioner's approved but not admitted lists.

VERIFICATION OF COVERAGE

ENGINEER shall furnish the CLIENT with certificates of insurance, including but not limited to the Certificate of Compliance in NRS 616B.627 and with original endorsements affecting coverage required by this article. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf and must be countersigned by a duly appointed and licensed resident agent in this state. The certificates are to be on forms approved by the CLIENT. All certificate and endorsements are to be received and approved by the CLIENT before work commences. The CLIENT reserves the right to require complete, certified copies of all required insurance policies, at any time.

SUBCONSULTANTS

ENGINEERS shall require all subconsultants to be insured on their own or under its policies and shall furnish separate certificates and endorsement for each subconsultant. Coverages for subconsultants shall be subjected to all of the requirements stated herein.

Miscellaneous Conditions

If the ENGINEER or any Subconsultant fails to maintain any of the insurance coverages required, the CLIENT may terminate this Agreement for cause.

ENGINEER shall be responsible for and remedy all damage or loss to any property, including property of CLIENT, caused in whole or in part by the ENGINEER, any subconsultant, or any employee, directed or supervised by ENGINEER, except damage of loss attributable to faulty drawings or specifications.

Nothing herein contained shall be construed as limiting in any way to the extent to which the ENGINEER may be held responsible for payment for damages to persons or property resulting from her operations or the operations of any subconsultant under her.

If ENGINEER's failure to maintain the required insurance coverage results in a breach of this Agreement, CLIENT may purchase the required coverage, and without further notice to ENGINEER, deduct from sums due to ENGINEER any premium cost advanced by CLIENT for such insurance.

ARTICLE XVII - LITIGATION

This Agreement does not require the ENGINEER to prepare for or appear in litigation on behalf of The CLIENT, or as agent of the CLIENT, other than specified herein, except in consideration of additional reasonable compensation.

ARTICLE XVIII - TERMINATION OF WORK

Either party to this Agreement may terminate the Agreement for cause upon giving the other party thirty (30) days prior written notice. Cause may include, failure to perform through no fault of the party initiating the termination. In addition, CLIENT may terminate the Agreement for any one of the following causes: performance by ENGINEER which CLIENT deems unsatisfactory in CLIENT's sole judgment; and CLIENT's lack of funds to complete the work. Cause for ENGINEER may include, failure of CLIENT to make timely payment to ENGINEER without good cause, following a demand for payment.

In addition, CLIENT may terminate any or all of the work covered by this Agreement by notifying ENGINEER in writing. In the event such termination occurs at the conclusion of services pursuant to an executed task order, then ENGINEER shall be entitled to receive compensation for all work satisfactorily completed and performed through the conclusion of that

task order. No other changes or costs incurred for services or materials other than pursuant to an executed task order shall be reimbursed by CLIENT pursuant to this Agreement. In the event such termination occurs during the performance of services pursuant to an authorized task order, then ENGINEER and CLIENT shall need to determine what, if any additional services should be performed by ENGINEER in order to close out the work in progress and provide any such unfinished materials to CLIENT. ENGINEER and CLIENT shall agree upon the additional amount of work to be performed following the termination notice and the amount payable by CLIENT for such work. In the event that the parties cannot otherwise agree on the amount to be paid pursuant to this provision, then the matter may be referred to the Dispute Resolution Procedure in ARTICLE XXII .

In the event the Agreement is terminated by CLIENT for cause, including performance deemed unsatisfactory by CLIENT, or ENGINEER failure to perform, or other cause created by ENGINEER, CLIENT may withhold and offset against any payments otherwise due and/or seek recovery from ENGINEER for amounts already paid, including without limitation: amounts paid for unsatisfactory work or work not done in accordance with this Agreement; value of CLIENT's time spent in correcting the work or problem; any increase in cost resulting from the problem or work; and any other costs which result from such termination.

ENGINEER expressly agrees that this Agreement shall be terminated immediately if for any reason local, federal and/or State Legislature funding ability to satisfy this Agreement is withdrawn, limited, or impaired.

ARTICLE XIX - PROFESSIONAL SERVICES

ENGINEER shall be responsible for the professional quality and technical accuracy of all services furnished by ENGINEER and their subconsultants under this Agreement. Without limiting the effect of any other provision of this Agreement and in addition to any other provision contained herein, ENGINEER shall, without additional compensation, correct or revise any errors or omissions in their services.

ENGINEER and their subconsultants retained pursuant to this Agreement are considered by CLIENT to be skilled in their profession to a degree necessary to perform the services and duties contained in this Agreement, and CLIENT hereby relies upon those skills and the knowledge of ENGINEER and their subconsultants. ENGINEER and their subconsultants shall perform such professional services and duties as contained in this Agreement in conformance to and consistent with the standards generally recognized as being employed by professionals of their caliber in the State of Nevada. ENGINEER makes no warranty, either expressed or implied, as to their findings, recommendations, specifications or professional advice other than as provided herein.

Neither CLIENTS' review, approval, or acceptance of nor payment for any of the professional services or work required under this Agreement shall be construed to operate as a waiver of any of CLIENTS' rights under of this Agreement. The rights and remedies of CLIENT provided for under this Agreement are in addition to any other rights and remedies provided by law.

Project information including but not limited to reports, written correspondence, and verbal reports will be prepared for the use of the CLIENT. The observations, findings, conclusions and recommendation made represent the opinions of the ENGINEER. Reports, records, and information prepared by others will be used in the preparation of the report. The ENGINEER has relied on the same to be accurate and does not make any assurances, representations, or warranties pertaining to the records or work of others, except for its subconsultants, nor does the ENGINEER make any certifications or assurances except as explicitly provided in writing. No responsibility is assumed by the ENGINEER for use of reports for purposes of facility design by others.

ARTICLE XX - RIGHTS OF ENGINEERS AND EMPLOYEES

No personnel employed by ENGINEER shall acquire any rights or status in the CLIENT services and ENGINEER shall be responsible in full for payment of its employees, including insurance, deductions, and all the like.

ARTICLE XXI - SERVICES BY CLIENT

It is understood and agreed that the CLIENT shall, to the extent reasonable and practicable, assist and cooperate with the ENGINEER in the performance of ENGINEER's services hereunder. Such assistance and cooperation shall include, but not necessarily be limited to, environmental approval, right of access to work sites; providing material available from the CLIENT's files such as maps, As-Built drawings, records, and operation and maintenance information; serving all notices, holding all hearings, and fulfilling legal requirements in connection therewith; and rendering assistance in determining the location of existing facilities and improvements which may be affected by the project.

ARTICLE XXII - DISPUTE RESOLUTION PROCEDURE

1. If disputes arise under this Agreement, the parties agree to attempt to resolve such disputes through direct negotiations or if such negotiations are not successful, by non-binding mediation conducted in accordance with the rules and procedures to be agreed upon by the parties.
2. The prevailing party in an action to enforce the Agreement shall be entitled to recover its reasonable attorney's fees and costs. It is specifically agreed that a reasonable attorney's fee shall be \$125 per hour.

ARTICLE XXIII - NO UNFAIR EMPLOYMENT PRACTICES

1. In connection with the performance of work under this Agreement, Engineer agrees not to discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, sexual orientation or age. Such Agreement shall include, but not be limited to, the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment

advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

2. ENGINEER further agrees to insert this provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.
3. Any violation of these provisions by ENGINEER shall constitute a material breach of contract.
4. As used in this Article, sexual orientation means having or being perceived as having an orientation for heterosexuality, homosexuality or bi-sexuality.

ARTICLE XXIV - AMERICANS WITH DISABILITIES ACT

1. ENGINEER and its subconsultants shall comply with the terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (P.L. 101-136), 42 U.S.C. 12101, as amended, and regulations adopted thereunder contained in 28 C.F.R. 26.101-36.999, inclusive, and any relevant program-specific regulations.

ARTICLE XXV - GENERAL PROVISIONS

1. Integration. This Agreement, including the Exhibits and the Recitals, all of which are true and correct and are incorporated by reference as a part of this Agreement, constitutes the complete and integrated Agreement between the parties with respect to the matters recited herein, and supersedes any prior or contemporaneous written or oral agreements or understandings with respect thereto.
2. Severability. The legality of any provision or portion of this Agreement shall not affect the validity of the remainder.
3. Amendment. This Agreement shall not be modified, amended, rescinded, canceled, or waived, in whole or in part, except by written amendment signed by duly authorized representatives of the parties.
4. No Third Party Benefit. This Agreement is a contract between CLIENT and ENGINEER and nothing herein is intended to create any third party benefit.
5. Governing Law and Jurisdiction. This Agreement shall be administered and interpreted under the laws of the State of Nevada. Any action at law, suit in equity or judicial proceeding for the enforcement of this Agreement or any provision thereof shall be instituted only in the district courts of the State of Nevada, County of Washoe.

ARTICLE XXVI - DUE AUTHORIZATION

Each party represents that all required authorizations have been obtained to execute this grant and for the compliance with each and every term hereof. Each person signing this Agreement warrants and represents to the other party that he or she has actual authority to execute this Agreement on behalf of the party for whom he or she is signing. A facsimile signature on this Agreement shall be treated for all purposes as an original signature.

Duplicate originals. This Agreement is executed in one duplicate original for each party hereto, and is binding on a party only when all parties have signed and received a duplicate original.

IN WITNESS WHEREOF, CLIENT has caused this Agreement to be executed by the City of Reno and ENGINEER have caused this Agreement to be executed, all as of the day and year first above written.

CITY OF RENO

ATTEST:

By: _____
Robert A. Cashell, Sr., Mayor

By: _____
Lynnette Jones, City Clerk

APPROVED AS TO FORM:

By: _____
Susan Ball Rothe
Deputy City Attorney

CITY OF SPARKS

ATTEST:

By: _____
Geno Martini, Mayor

By: _____
Sparks City Clerk

APPROVED AS TO FORM:

By: _____
Chet Adams, Sparks City Attorney

ENGINEER

By: _____
Rick Chan, P.E., Vice President

ATTACHMENT A
CITY OF RENO
TRUCKEE MEADOWS WATER RECLAMATION FACILITY
DIGESTER GAS CONDITIONING SYSTEM PROJECT

CONSTRUCTION MANAGEMENT AND
ENGINEERING SERVICES DURING CONSTRUCTION

SCOPE OF SERVICES
(December 20, 2014)

INTRODUCTION

The City of Reno (CLIENT) and City of Sparks own the Truckee Meadows Water Reclamation Facility located in Reno, Nevada. Carollo Engineers (ENGINEER) has completed design of the Digester Gas Conditioning System Project to reduce the concentration of hydrogen sulfide and siloxane in the digester gas produced by the anaerobic digesters. ENGINEER's Scope of Services herein is to provide part-time construction management and engineering services during construction to the CLIENT. This Scope of Services is based on a construction period of 270 calendar days from Contractor's notice to proceed until substantial completion plus 30 days thereafter for project closeout (total of 300 calendar days, or approximately 10 months).

SCOPE OF SERVICES

This section presents the Scope of Services for the Digester Gas Conditioning System Project – Construction Management and Engineering Services During Construction.

Task 1 – Construction Management

ENGINEER shall provide part-time construction management services specified herein to assist the CLIENT during the construction period.

Task 1.1 - Project Management. ENGINEER shall provide the appropriate level of project management and administration for this project. ENGINEER shall also prepare a brief monthly progress summary letter report for attachment to the monthly invoice to track status of budget expenditures and key work activities completed during that billing period.

Task 1.2 – Pre-Construction Meeting. ENGINEER shall conduct a pre-construction meeting with the CLIENT and contractor. The purpose of the meeting is to facilitate understanding of the contract requirements by all parties involved. Meeting notes will be prepared and distributed to attendees within 10 days of the meeting.

Task 1.3 – Progress Meetings. ENGINEER shall conduct 20 progress meetings during the course of this project. Meeting notes will be prepared and distributed to attendees within 7 days of the meeting.

Task 1.4 – Construction Management Planning and Documentation. ENGINEER shall prepare a project specific Construction Manual for the project to establish project protocols, communications, and procedures. This task includes establishing an electronic file management system to track correspondences, submittals, RFIs, and other field related documents.

Task 1.5 – On-Site Resident Engineering and Inspection. ENGINEER shall provide on-site part-time resident engineering and inspection during the course of the construction project. For budgeting purposes, the resident engineer/inspector will be on site approximately 20 hours per week on average for 40 weeks. This task includes the following:

- Document existing site conditions with contractor prior to start of construction using a combination of video and photographic documentation.
- Provide on-site quality assurance inspection to confirm contractor's compliance with the contract documents.
- Prepare inspection reports for days the ENGINEER is on site to summarize daily field activities by the contractor.
- Prepare monthly inspection reports to summarize the work completed, upcoming milestones, and budget expended on the construction project.
- Coordinate and manage the shop drawing submittal review process.
- Coordinate and manage the requests for information review process.
- Prepare field memos and clarifications.
- Review monthly progress payment requests.
- Review construction schedules (initial baseline schedule and schedule updates).
- Review change order requests.
- Monitor contractor's recording and maintenance of field changes and markup of the record drawings.

Task 1.6 – Startup Testing and Training. ENGINEER shall oversee facilities acceptance testing and startup in cooperation with the contractor and plant staff.

Task 1.7 – Material Testing. ENGINEER shall provide material testing services for general civil and concrete work to check contractor's compliance with the contract documents.

Task 2 - Engineering Services During Construction

ENGINEER shall provide engineering support services specified herein to assist the CLIENT during the construction period.

Task 2.1 – Project Management. ENGINEER shall provide the appropriate level of project management and administration for this project. ENGINEER shall also prepare a brief monthly progress summary letter report for attachment to the monthly invoice to track status of budget expenditures and key work activities completed during that billing period.

Task 2.2 – Pre-Construction Meeting. ENGINEER shall attend a pre-construction meeting with the CLIENT and contractor. The purpose of the meeting is to facilitate understanding of the contract requirements by all parties involved.

Task 2.3 – Progress Meetings. ENGINEER shall attend 10 progress meetings during the course of the project.

Task 2.4 – Technical Meetings. ENGINEER shall attend 6 technical meetings on an as-needed basis to discuss technical elements of the project outside of the regular progress meetings.

Task 2.5 – Conformed Documents. ENGINEER shall prepare conformed documents using ENGINEER's standard format to include changes contained in the addenda issued during the bid period.

Task 2.6 – Sparks Building Department Submittal. ENGINEER shall prepare re-submitted plans to the City of Sparks Building and Safety Division Plan Review Section per requirements of their Plan Review Comments dated December 5, 2013.

Task 2.7 – Review RFIs. ENGINEER shall review and respond to requests for information (RFIs) from the contractor. In responding to the RFIs, ENGINEER shall issue interpretations and clarifications to the contract documents. For budgeting purposes, ENGINEER shall respond to approximately 40 RFIs assuming an average processing and review time of 4 hours per RFI response. Note the budget allocated for this task may be higher or lower depending on the final number of RFIs reviewed and the complexity of each RFI submitted by the contractor.

Task 2.8 – Review Shop Drawings. ENGINEER shall review and respond to shop drawing submittals (excluding temporary shoring submittals) from the contractor. Submittals shall be reviewed in accordance with the contract documents. For budgeting purposes, ENGINEER shall respond to two Digester Gas Conditioning System submittal/resubmittals assuming a total of 60 hours are required, plus respond to approximately 90 other submittals/resubmittals assuming an

average processing and review time of 6 hours per submittal. Note the budget allocated for this task may be higher or lower depending on the final number of submittals reviewed and the completeness of each shop drawing submitted by the contractor.

Task 2.9 – Prepare Design Clarifications. ENGINEER shall prepare an-needed design clarifications to clarify and/or change the intent of the contract documents at the request of the CLIENT. In preparing the design clarification, ENGINEER shall issue revised specifications, drawings, and/or sketches, if necessary, to clarify and/or change the intent of the contract documents. For budgeting purposes, 60 hours have been budgeted for this task.

Task 2.10 – Review Change Orders. ENGINEER shall assist in the review of proposed change orders submitted by the contractor. ENGINEER’s review shall be limited to merits of the change order and providing input on applicable unit and material prices of selected items. For budgeting purposes, 60 hours have been budgeted for this task.

Task 2.11 – Startup Assistance. ENGINEER shall assist with startup and testing of the new Digester Gas Conditioning System to include assistance with comprehensive testing of functional equipment and sub-systems. For budgeting purposes, 40 hours have been budgeted for this task.

Task 2.12 – Final Inspection. ENGINEER shall perform a final project “walk-through” inspection and prepare a final punch list of outstanding items to be completed by the contractor to achieve final acceptance.

Task 2.13 – Record Drawings. ENGINEER shall prepare record drawings using ENGINEER’s standard format to include changes made during the construction period after contract closeout. It is assumed the contractor will maintain a current set of marked-up drawings detailing field changes and clarifications. ENGINEER shall not be responsible for field measuring as-built conditions and will rely solely on the information provided by the contractor as the basis for preparing the record drawings.

Task 2.14 – Electronic Operations and Maintenance Manual. ENGINEER shall prepare an operations and maintenance manual chapter for the Digester Gas Conditioning System Equipment and incorporate this chapter into the Electronic Operations and Maintenance Manual (EOMM) using the same format that is currently being developed for the Truckee Meadows Water Reclamation Facility.

Task 3 – As-Directed Services

ENGINEER shall provide additional engineering services to the CLIENT on an as-directed basis.

Task 3.1 – As-Directed Services. ENGINEER shall provide as-directed services to the CLIENT during the construction period upon written request from the CLIENT. These services can include, but not be limited to, the following: claims management assistance, additional RFI and shop drawing review, additional field inspection, and additional design services.

LABOR AND BUDGET ESTIMATE

TRUCKEE MEADOWS WATER RECLAMATION FACILITY
DIGESTER GAS CONDITIONING SYSTEM PROJECT
CONSTRUCTION MANAGEMENT AND ENGINEERING SERVICES DURING CONSTRUCTION

Task	Task Description	Rick Chan \$270	Tom Mossinger \$263	Electrical Engineer \$199	Structural Engineer \$199	Design Engineer \$179	CAD	WP		Total Hours	Carolio Labor Cost	Subconsultants		As-Directed Services Allowance	Total Cost
								\$148	\$114			CH2M Hill Hours	Material Testing		
1.0	Construction Management														
	1.1 Project Management	16	0	0	0	0	0	0	0	16	\$4,320				\$4,320
	1.2 Pre-Construction Meeting	0	0	0	0	0	0	0	0	0	\$0	4			\$520
	1.3 Progress Meetings	0	0	0	0	0	0	0	0	0	\$0	80			\$10,400
	1.4 Construction Management Planning	0	0	0	0	0	0	0	0	0	\$0	40			\$5,200
	1.5 On-Site Resident Engineering and Inspection	0	0	0	0	0	0	0	0	0	\$0	800			\$104,000
	1.6 Startup Testing and Training	0	0	0	0	0	0	0	0	0	\$0	24			\$3,120
	1.7 Material Testing	0	0	0	0	0	0	0	0	0	\$0		\$20,000		\$20,000
	Task 1.0 Totals =	16	0	0	0	0	0	0	0	16	\$4,320				\$147,560
2.0	Engineering Services During Construction														
	2.1 Project Management	16	0	0	0	0	0	0	0	16	\$4,320				\$4,320
	2.2 Pre-Construction Meeting	8	0	0	0	0	0	0	0	8	\$2,160				\$2,160
	2.3 Progress Meetings	40	0	0	0	40	0	0	0	80	\$17,960				\$17,960
	2.4 Technical Meetings	0	24	0	0	24	0	0	0	48	\$10,608				\$10,608
	2.5 Conformed Documents	6	0	8	0	8	40	8	8	70	\$11,476				\$11,476
	2.6 Sparks Building Department Submittal	4	0	0	0	0	24	0	0	28	\$4,632				\$4,632
	2.7 Review RFIs	24	24	24	24	64	0	0	0	160	\$33,600				\$33,600
	2.8 Review Shop Drawings	50	50	50	50	400	0	0	0	600	\$118,150				\$118,150
	2.9 Prepare Design Clarifications	4	8	8	8	32	0	0	0	60	\$12,096				\$12,096
	2.10 Review Change Orders	8	8	6	6	32	0	0	0	60	\$12,380				\$12,380
	2.11 Startup Assistance	8	0	0	0	32	0	0	0	40	\$7,888				\$7,888
	2.12 Final Inspection	0	0	0	0	8	0	0	0	8	\$1,432				\$1,432
	2.13 Record Drawings	10	0	0	0	30	60	0	0	100	\$16,950				\$16,950
	2.14 EOMM	8	8	0	0	120	0	0	0	136	\$25,744				\$25,744
	Task 2.0 Totals =	186	122	96	88	790	124	8	8	1,414	\$279,596				\$279,596
3.0	As-Directed Services														
	3.1 As-Directed Services	0	0	0	0	0	0	0	0	0	\$0			\$25,000	\$25,000
	Task 3.0 Totals =	0	0	0	0	0	0	0	0	0	\$0			\$25,000	\$25,000
	Project Totals =	202	122	96	88	790	124	8	8	1,430	\$283,916	948	\$20,000	\$25,000	\$452,166

(1) Labor rate includes all Carolio's direct cost, overhead, communication, and other material costs.
(2) Subconsultant (CH2M Hill) hourly rate includes 10% markup.