
AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 2012, by and between the City of Reno and the City of Sparks, hereinafter referred to as the "CLIENT", and Stantec Consulting Services, Inc., hereinafter referred to as "ENGINEER":

WITNESSETH:

WHEREAS, CLIENT desires to engineering support services for the TMWRF Septage Receiving/Headworks Preliminary Design 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 Exhibit A as attached hereto and incorporated herein by this reference which consists of 10 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 \$377,884.00 and shall not be exceeded without authorization of the CLIENT. The City of Reno's share is the sum of \$259,342.00 and the City of Spark's share is the sum of \$118,542.00. 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:
John P. Enloe, P.E.
Principal
Stantec Consulting Services, Inc.
6980 Sierra Center Parkway, Suite 100
Reno, NV 89511

To: CLIENT
Neil Krutz
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
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 its 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: _____
John P. Enloe, P.E., Principal



Stantec

EXHIBIT A

Stantec Consulting Services Inc.
6980 Sierra Center Parkway Suite 100
Reno NV 89511
Tel: (775) 850-0777
Fax: (775) 850-0787

December 23, 2011

Robert Lee, PE
Senior Civil Engineer
City of Reno, Public Works / Sanitary Engineering
1 East First Street
Reno, NV 89501

Reference: Scope of Services for the TMWRF Septage Receiving / Headworks Preliminary Design Project

Robert,

Stantec appreciates the opportunity to present this Scope of Services for the design of a new septage receiving facility and preparation of a Preliminary Design Report for the headworks facility at TMWRF.

Design and preparation of contract documents for the new septage receiving facility will be conducted over the next several months, targeting construction during the summer of 2012. This work is covered under Task 1, which includes a coordination workshop with TMWRF staff, preparation of a Design Summary Technical Memorandum, 50% and 90% Design Submittals, Final Document Preparation, Bidding and Construction Services, and an update to the facility O & M Manual.

The Preliminary Design Report for the headworks includes an evaluation of alternatives for the rehabilitation and eventual replacement of this facility. This evaluation is covered under Task 2, which includes four primary sub-tasks: 1) an existing facilities condition assessment; 2) a review of current technology options for each process component; 3) a thorough rehabilitation, phasing and facility layout alternatives analysis; and 4) preparation of a Preliminary Design Report for the recommended project.

The two interrelated tasks and subtasks are described more specifically below:

TASK 1 – SEPTAGE RECEIVING FACILITY DESIGN

TASK 1.1 – PROJECT MANAGEMENT

This task covers project administration and management, including the following items:

- Project kickoff meeting
- Weekly email updates on project status
- Project administration
- Project Quality Assurance
- Project meetings monthly during design

Deliverables: Weekly email project updates, minutes of monthly meetings.

Stantec

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Reference: Scope of Services for the TMWRF Septage Receiving / Headworks Preliminary Design Project

TASK 1.2 – BACKGROUND AND PROCESS WORKSHOP

This task includes preparation of the process workshop and the presentation to TMWRF Staff. Items to be researched prior to the workshop and discussed during the workshop include the following:

- Develop Design Criteria, Including Average and Peak Flows, and Typical Characteristics of Septage.
- Prepare Site Plans for Two Identified Locations
- Identify Potential Pretreatment Packages – Honey Monster, others
- Review Current Regulations, including Discharge Permit
- Incorporate Wash-down Facilities for Equipment and Staff

At the workshop with the TMWRF staff, we will present the results of the background research as well as discuss the following items:

- Identify Issues That Could Affect Collection, Drain System, or Level of Treatment
- Discuss Plant Operations and Traffic Flow
- Discuss Security and Card Lock System
- Discuss Septage Testing – pH, Sampling, Monitoring, Billing, Flow Metering
- Discuss Access for Haulers, Cleaning, Equipment Service
- Discuss Project Schedule
- Discuss SCADA Requirements
- Provide Project Schedule
- Identify Preferred Equipment for Pretreatment

Deliverables: Pre-workshop Agenda; Workshop Presentation to Staff

TASK 1.3 – PREPARE DESIGN SUMMARY TECHNICAL MEMORANDUM

Based on the results of the background investigations and the discussions with staff, we will prepare a Technical Memorandum summarizing the design criteria, recommended equipment, and preferred location of the facilities. We will also include a preliminary cost estimate and discuss the control strategy for the facility. The TM will be issued in draft form for review, and finalized based on the comments received.

Deliverables: Draft and Final Versions of Design Technical Memorandum

TASK 1.4 – 50% DESIGN SUBMITTAL

This task will cover the preparation of the design document to the approximate 50% level of completion. The items submitted in the 50% submittal will include the following:

- Prepare 50% Level Plans and Specifications
- Include Site Plan, Hydraulic Profile, Site Piping Plan
- Complete Site Surveying
- Electrical Single Line and P & ID

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Reference: Scope of Services for the TMWRF Septage Receiving / Headworks Preliminary Design Project

- Draft Specifications for Major Equipment
- Updated Cost Estimate
- Provide Updated Project Schedule

The items will be provided to TMWRF for review, and allow a minimum of one week for review prior to comments being received. The comments and responses will be collected and summarized in a Design Review Summary Technical Memorandum and distributed to all attendees.

Deliverables: 50% Complete Plans and Specifications, cost estimate, design comment summary memorandum

TASK 1.5 - 90% DESIGN SUBMITTAL

This task will cover the continuing preparation of the design document to the approximate 90% level of completion. The items submitted in the 90% submittal will include the following:

- All major drawings nearly finalized
- Includes Structural and Mechanical drawings
- Provide Electrical Single Line, Site Plan, Details
- Provide P & ID and Instrumentation Details
- Include most general mechanical and civil details
- Provide Specifications for all Major Equipment, including "Front End" documents
- Provide Updated Cost Estimate
- Submit Plans for In-House QA/QC Review

As with the 50% submittal, the items will be provided to TMWRF for review, and allow a minimum of one week for review prior to comments being received. We will then hold a design review meeting with TMWRF staff to discuss issues and design comments. The comments and written responses will be collected and summarized in a Design Review Summary Memorandum and distributed to all attendees.

Deliverables: 90% Complete Plans and Specifications, cost estimate, design comment summary memorandum

TASK 1.6 – FINAL DOCUMENT PREPARATION

This Task will cover completion of the documents into a state ready to be issued for receipt of bids. The following items will be incorporated into this submittal:

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- Incorporate all review comments
- Provide 100% Plans and Specifications suitable for bidding
- Provide plans to building department and review agencies, including NDEP. We assume that TMWRF will hand any permit modifications, should that be required.
- Complete final QA/QC review
- Submit plans and specifications to public agencies for approval.

Deliverables: One set of stamped Plans and Specifications Suitable for Public Bidding. One additional set of plans and specifications in electronic PDF format on disk. Up to fifteen additional printed copies of plans and specs for agency use.

TASK 1.7 – BIDDING SERVICES

This task will cover the provision of services during the bidding phase of the project. Assuming that City of Sparks Purchasing handles plan distribution, we will attend and assist with the pre-bid meeting, including a job site walk-through. We will respond to questions received during bidding, and issue addenda as appropriate. We will review the bids received, and provide a written recommendation regarding project award.

Deliverables: Addenda as required; recommendation for award.

TASK 1.8 – CONSTRUCTION SERVICES

We have included a cost to provide construction administration and inspection services for the project. Our services will include the following:

- Maintain construction administration database throughout the project.
- Conduct preconstruction meeting and provide minutes.
- Provide project inspection on daily basis, as required. We anticipate that full time inspection will be required during underground piping construction as well as during concrete pours. We anticipate that part time only inspection will be required after that until project completion.
- We anticipate that construction materials testing, if required, will be provided by the Owner under separate contract.
- Review submittals and shop drawings
- Review RFI's and provide responses. Services include up to 10 RFI's – should additional RFI's be required, we will request additional reimbursement.
- Develop change orders as reasonably necessary.
- Coordinate permit compliance
- Coordinate startup and final walk through
- Compile record drawing notes and make revisions to the plans. Provide final record drawings for the project.

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Deliverables: Copies of Daily Inspection Reports; Reviews of Equipment Submittals; Minutes of Construction Meetings; RFI's and Change Orders as required during construction; one copy of record drawings in paper format, and one copy in electronic PDF format.

TASK 1.9 – O & M MANUAL

We also anticipate that it will be required for the TMWRF facility to update the Operation and Maintenance Manual for the facility to reflect the new equipment. In this task we will assemble O&M documents for equipment provided in this project, and prepare a new chapter for the existing manual, or a separate stand-alone manual if preferred, discussing the operation and maintenance of the new facility.

Deliverables: New chapter for TMWRF O & M Manual on septage facility design and maintenance.

TASK 2 – HEADWORKS PRELIMINARY DESIGN REPORT

Before describing the various sub-tasks related to the headworks, it is helpful to provide some background information. The headworks facility at TMWRF is aging and has the following known deficiencies:

- The influent gates are severely corroded and the gate actuators are not functioning correctly. Consequently, the gates must be raised and lowered using a winch and a hook and chain.
- The ventilation and odor control system is not effectively removing hydrogen sulfide gas, which has caused corrosion of concrete, metals, and electrical equipment. Many of the metal components appear to require replacement.
- The screening equipment does not effectively remove large solids materials from the wastewater.
- The influent flumes and concrete channels are undersized for the current flows to the facility.
- The concrete appears to be in poor condition.

The initial headworks rehabilitation plan envisioned by the TMWRF staff includes replacing the Influent gates and phasing in more extensive improvements in the following years. These phased improvements must be coordinated with an affordable plan to completely rehabilitate the existing headworks, or to construct a new one.

Although not specifically a deficiency with the headworks, the current use of the influent gates for flow equalization must be evaluated. Currently, plant operators use the gates to restrict plant influent flows during the day, so as to control peak ammonia loading to the nitrification towers. The flow restriction at the plant causes raw sewage to be backed up and stored within the sewage collection system. During the night, the stored sewage is released and treated. This process of restricting flow and causing storage in the sewage collection system has various negative side effects, which include: emissions of odorous air at manholes; loss of carrying capacity needed to accommodate infiltration/inflow during wet weather; possible increased exfiltration from pipe cracks and manhole joints; erosion of concrete at bottom of the influent gates; damage to the gates; corrosion damage to the collection system piping; deposition and then flushing of rags and grit within the sewer pipes; surges in hydrogen sulfide gas releases within the headworks; and flow metering inaccuracies at critical locations in the interceptors.

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TASK 2.1 EXISTING CONDITIONS ASSESSMENT

2.1.A. Stantec will work closely with TMWRF staff to perform an independent condition assessment of the existing headworks facility and the related process components. Stantec will review existing design criteria and current operating conditions, including the existing process flow diagram, hydraulic profile and current flow conditions. Stantec will conduct a headworks process review workshop to identify key issues that must be addressed with this analysis, including existing deficiencies, operations, and any immediate rehabilitation improvements that TMWRF feels must be conducted regardless of the recommended project and phasing / implementation plan.

2.1.B. Stantec will provide input and ongoing coordination with regard to the concrete integrity assessment and life safety review being completed by BJC under separate contract, as well as outfall relocation issues associated with the Southeast Connector and Steamboat Creek restoration project. Coordination with the septage receiving improvements will also be included within this subtask.

2.1.C. Stantec will review the existing practice of storing influent in the interceptors. Both benefits and negative side effects will be considered. Influent flow hydrographs will be analyzed to assess storage volume requirements, depending on equalization objectives.

2.1.D. Using available information and reports, including TMWRF flow records, The Washoe County Regional Plan, the Truckee Meadows Water, Wastewater and Flood Management Facility Plan, and the Washoe County Regional Water Management Plan, Stantec will make recommendations for the design flow criteria for the headworks facility. Using the flow information developed above, Stantec will provide a planning level assessment of the capacity of the existing interceptors, and identify needs for capacity improvements.

Deliverables: Process Review Workshop notes, Draft and Final Technical Memorandum which summarizes the findings from this existing conditions assessment.

TASK 2.2 PROCESS ALTERNATIVES

Stantec will provide a summary of relevant information on the different technology and equipment options available for each major process component. The advantages and disadvantages of each option will be identified, including the ability to retrofit and rehabilitate the existing headworks and assessment of relative capital and operational costs. The evaluation of process alternatives will include the following systems:

- Metering and influent sampling
- Influent screening
- Washer and compactor conveyance equipment
- Grit removal systems
- Odor control
- Electrical systems
- Influent pumping
- Flow equalization and related subsystems (see below)

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The flow equalization alternatives will include use of existing basins and constructing new basins, as well as alternatives for basin covers, mixing, odor control, and return pumping systems. Aeration of flow equalization basins will not be considered, as this would result in loss of volatile fatty acids needed for enhanced biological phosphorus removal.

Stantec will coordinate site visits with TMWRF O&M staff (up to two full days) to observe existing installations of the different types of equipment being considered and to discuss operational experience with staff at these installations.

Deliverables: Draft Technical Memorandum which presents the findings from this Process Alternatives evaluation and site visits, to be presented in a review workshop. The Final Technical Memorandum will incorporate review workshop comments and preferences.

TASK 2.3 REHABILITATION AND PHASING ALTERNATIVES

Using the information and findings developed from Tasks 2.1 and 2.2, Stantec will conduct a rehabilitation and phasing plan alternatives analysis. Up to four alternative combined configurations of all the interrelated facilities, including two equalization alternatives, will be developed and evaluated, including advantages and disadvantages of each, a general site plan and facility layout, a proposed schedule for rehabilitation and facility improvements, potential operations and constructability issues, expected permitting requirements and a life cycle cost analysis.

Deliverables: Draft Technical Memorandum which presents the findings from this rehabilitation and phasing plan alternative analysis, to be presented in a review workshop. The Final Technical Memorandum will incorporate workshop comments and identify the recommended project(s).

TASK 2.4 PRELIMINARY DESIGN REPORT FOR THE RECOMMENDED PROJECT

Stantec will prepare a Preliminary Design Report for the recommended project, including facility and equipment selections, process strategies, control system, site development and utilities, site plan, piping layout, design criteria summary, and cost estimate. Also included in this phase are a preliminary description of the operational plan for startup and operation of the facilities during construction. The proposed construction schedule and permitting requirements will also be identified. Two preliminary design workshops to review the Preliminary Design Report will be conducted during this phase of the project.

Deliverables: Draft Preliminary Design Report to be presented in two workshops. The Final Preliminary Design Report will incorporate workshop comments.

TASK 2.5 PROJECT MANAGEMENT AND QA/QC

Project Management includes coordination of staff, monitoring and control of schedule and budget, billing, and coordination with the City on administrative matters.

Quality Assessment and Quality Control (QA/QC) includes internal review of all activities and work products by senior staff to assure the quality of service and deliverables to the City.

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Fee Estimate

The estimated fee for this scope of work is \$377,884 based on the breakdown shown in the following table. Stantec reserves the right to reallocate costs between sub-tasks within Task 1 and Task 2 as long as the total budget for each Task is not exceeded.

Fee Estimate by Task

Tasks	Estimated Cost
Task 1.0 – Septage Receiving Facility Design	
Task 1.1 Administration and Project Meetings	\$6,340
Task 1.2 Background and Workshop	\$6,820
Task 1.3 Design Summary Memorandum	\$4,752
Task 1.4 50% Design Submittal	\$17,711
Task 1.5 90% Design Submittal	\$20,231
Task 1.6 Final Documents	\$24,966
Task 1.7 Bidding Services	\$5,808
Task 1.8 Construction Services & Record Drawings	\$35,756
Task 1.9 O & M Manual	\$5,668
Total, Task 1	\$128,052
Task 2.0 Headworks Preliminary Design Report	
Task 2.1 Existing Conditions Assessment	\$46,460
Task 2.2 Process Alternatives	\$45,541
Task 2.3 Rehabilitation and Phasing Alternatives	\$73,095
Task 2.4 Preliminary Design Report for the Recommended Project	\$53,628
Task 2.5 Project Management, QA/QC	\$31,108
Total, Task 2	\$249,832
TOTAL BOTH TASKS	\$377,884

Project Schedule

Stantec is prepared to commence work on Tasks 1 and 2 upon authorization. We anticipate at this time that the schedule for completion of the design portion of Task 1 is approximately April, 2012, so that the project could be bid and awarded by the end of June. Completion of Task 2 is estimated to be substantially completed by August 2012, with the final report being issued in September. Summary project schedules have been included with this scope letter for reference.

If our scope and fee estimate for Tasks 1 and 2 is acceptable, please sign the attached Professional Services Agreement and return it for our files at your earliest convenience. If you have any questions, please contact me at (775) 398-1284.

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Sincerely,
John P. Enloe, P.E.

A handwritten signature in black ink, appearing to read "John P. Enloe". The signature is fluid and cursive, with the first name "John" being more prominent.

John P. Enloe, P.E.
Principal



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PROJECT SCHEDULES:

