

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT ("Consulting Agreement" or "Agreement") is made and entered into this ____ day of _____, 2018, by and between **Leonard Rice Engineers Inc.** a Colorado Corporation, whose address is **1221 Auraria Parkway, Denver, Colorado 80204** (hereinafter referred to as "Consultant") and the **TOWN OF ERIE, COLORADO**, a Colorado municipal corporation, whose address is **645 Holbrook Street, P.O. Box 750, Erie, Colorado 80516** (hereinafter referred to as "Town" or "Erie").

WITNESSETH

WHEREAS, the Town desires to engage the Consultant to render the professional services described in this Consulting Agreement and the Consultant is qualified and willing to perform such services in accordance with, and subject to the provisions of this Consulting Agreement; and,

WHEREAS, legal authority exists to engage the Consultant and sufficient funds have been budgeted and are available for the work to be performed by the Consultant under this Agreement, and other necessary approvals have been obtained.

NOW, THEREFORE, in consideration of the mutual promises, covenants and obligations of the parties hereto, the terms, covenants and conditions hereof, and intending to be legally bound, the Town and the Consultant agree as follows:

1. The Project. The Consultant's services are engaged under this Consulting Agreement for **Water Supply Planning** to be identified during the year of 2018. The project will be requested by the Town and the Consultant will respond in writing for the project with a scope of work, deliverables, and schedule for completion and a not to exceed fee. The Town, will verify funds availability and respond to the Consultant with written approval that shall act as the Notice to Proceed. All required documentation per project as described above will be considered a portion of this agreement and will be attached as such ("Project").

2. Consultant's Services. The Consultant shall, during the term of this Agreement, provide the services to the Town as set forth in Exhibit "A", attached hereto and incorporated herein by this reference (the "Services"). The Consultant shall perform the Services competently, efficiently, and in accordance with the standard of care of its profession. The Consultant shall perform the Services meeting all industry safety standards.

3. Additional Services. The Town may request the Consultant to perform additional work or phases of the Project in addition to the Services. The Consultant agrees to perform the additional work or phases of the Project if the Town so requests, either pursuant to an amendment to this Consulting Agreement or a new agreement in which the Town and the Consultant shall define the scope of, and additional payment for, the additional work or phases of the Project.

4. Compensation. In consideration for the performance of the Services, the Town shall pay to the Consultant a fee in the total amount not to exceed **\$86,700.00**, and payable in accordance with the payment schedule, as set forth in Exhibit "A", attached hereto and incorporated herein by this reference.

5. Reimbursable Expenses. The Town agrees to reimburse the Consultant for the reimbursable expenses incurred by the Consultant in connection with the Services, such expenses to be described in detail in Exhibit "A". Travel expenses between the Town and the Consultant's office shall not be considered reimbursable expenses. The Consultant shall maintain an accurate record of all such expenses and provide itemized records and copies of receipts when submitting such expenses to the Town for reimbursement. The maximum amount reimbursable by the Town to the Consultant under this Consulting Agreement shall be set forth on Exhibit "A". Such expenses not described on Exhibit "A", shall not be reimbursed by the Town.

6. Commencement and Completion of Services. The Consultant understands and agrees that time is an essential requirement of this Consulting Agreement. The term of this Consulting Agreement shall commence on the date of this agreement and shall end on **December 31, 2019**. The Services shall be completed as soon as good practice and due diligence will permit.

7. Termination.

A. This Consulting Agreement may be terminated by either party upon Ten (10) days prior written notice to the other party in the event of a substantial failure by the other party to fulfill its obligations under this Consulting Agreement through no fault of the terminating party.

B. This Consulting Agreement may be terminated by the Town in its sole discretion upon Ten (10) days prior written notice to the Consultant. This Consulting Agreement may be terminated by the Consultant in its sole discretion upon Ten (10) days prior written notice to the Town.

C. In the event of termination as provided for in this paragraph, the Town shall pay the Consultant in full for Services performed to the date of notice of termination plus any Services the Town deems necessary during the notice period. Said compensation shall be paid upon the Consultant's delivering or otherwise making available to the Town all data, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by the Consultant in performing the Services included in this Consulting Agreement, whether completed or in progress.

8. Insurance.

8.1 Consultant shall procure and maintain, and shall cause any subcontractor of Consultant to procure and maintain, the minimum insurance coverages listed below. Such coverages shall be procured and maintained with forms and insurers acceptable to the Town. All coverages shall be continuously maintained to cover all liability, claims, demands, and other obligations assumed by Consultant pursuant to paragraph 17 of this Consulting Agreement. In case of any claims made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage.

A. Workmen's Compensation Insurance and Employer's Liability Insurance to cover obligations imposed by applicable laws for any employee of Consultant or a subcontractor engaged in the performance of work under this Consulting Agreement.

B. General liability insurance with minimum combined single limits of One Million Dollars (\$1,000,000) each occurrence and One Million Dollars (\$1,000,000) aggregate. The policy

shall be applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employees' acts), blanket contractual, products, and completed operations. The policy shall contain a severability of interests provision.

C. Comprehensive Automobile Liability insurance within single limits for bodily injury and property damage of not less than One Million Dollars (\$1,000,000) each occurrence and One Million Dollars (\$1,000,000) aggregate with respect to each of Consultant's owned, hired or non-owned vehicles assigned to or used in the performance of this Consulting Agreement. The policy shall contain a severability of interests provision.

D. Professional Liability insurance within minimum single limits of not less than One Million Dollars (\$1,000,000) each occurrence and One Million Dollars (\$1,000,000) aggregate.

8.2 The policies required by subparagraphs B and C, above shall be endorsed to include the Town and the Town's officers and employees as additional insureds. Every policy required above shall be primary insurance, and any insurance carried by the Town, its officers, or its employees, or carried by or provided through any insurance pool of the Town, shall be excess and not contributory insurance to that provided by the Consultant. The Consultant shall be solely responsible for any deductible losses under any policy require above.

8.3 A certificate of insurance shall be completed by the Consultant's insurance agent and provided to the Town as evidence that policies providing the required coverages, conditions, and minimum limits are in full force and effect, and shall be reviewed and approved by the Town prior to commencement of the Consulting Agreement. The certificate shall identify this Consulting Agreement and shall provide that the coverages afforded under the policies shall not be cancelled until at least thirty (30) days prior written notice has been given to the Town. Consultant shall notify the Town within ten (10) days if the coverages afforded under the policies are materially changed. The completed Certificate of Insurance shall be sent to: Town Clerk, Town of Erie, PO Box 750, Erie, CO 80516

8.4 Notwithstanding any other portion of this Consulting Agreement, failure on the part of Consultant to procure or maintain policies providing the required coverages, conditions, and minimum limits shall constitute a material breach of this Consulting Agreement for which the Town may immediately terminate this Consulting Agreement, or, at its discretion, the Town may procure or renew any such policy or any extended reporting period thereto and may pay any and all premiums in connection therewith, and all money so paid by the Town shall be repaid by the Consultant to the Town upon demand, or the Town may offset the cost of the premiums against any money due to the Consultant from the Town.

8.5 The parties hereto understand and agree that the Town is relying on, and does not waive or intend to waive by any provision of this Consulting Agreement, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, Section 24-10-101, et seq., C.R.S., as from time to time amended, or any other law, protection or limitation otherwise available to the Town, its officers, or its employees.

9. Payment of Subcontractors. Consultant shall contract with and pay any and all subcontractors used by Consultant in the performance of the Project. The Town shall in no event have any liability to any subconsultant, and Consultant shall hold the Town harmless with respect to any

payments alleged to be due to Consultant's subcontractors.

10. Compliance with Applicable Laws. In connection with the execution of this Consulting Agreement, the Consultant shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, or disability. Such actions 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. Consultant shall comply with the Americans with Disabilities Act (Public Law 101-336), and all applicable regulations and rules promulgated by the Equal Employment Opportunity Commission and the Colorado Civil Rights Commission. At all times during the performance of the Agreement, Consultant shall strictly adhere to all applicable federal, state and Town laws that have been established. This shall include, without limitation, the United States Department of Labor standards. As used in this paragraph, and hereafter, the term "laws" shall include, without limitation, all federal, state and Town codes, charters, ordinances, laws, standards, rules and regulations. The indemnification and termination provisions of this Consulting Agreement shall apply with respect to Consultant's failure to comply with all applicable laws or regulations.

10A. No Discrimination In Employment. In connection with the performance of work under this Agreement, Consultant agrees not to refuse to hire, discharge, promote or demote, or to discriminate in matters of compensation against any person otherwise qualified on the basis of race, color, ancestry, creed, religion, national origin, gender, age, military status, sexual orientation, marital status, or physical or mental disability and further agrees to insert the foregoing provision in all subcontracts hereunder

11. Prohibited Interest.

A. The Consultant agrees that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its Services hereunder. The Consultant further agrees that in the performance of the Consulting Agreement, no person having any such interest shall be employed.

B. No official or employee of the Town shall have any interest, direct or indirect, in the Consultant, this Consulting Agreement or the proceeds therefrom.

12. Independent Contractor. The Consultant shall perform all Services as an independent contractor, and nothing in this Consulting Agreement is intended to or shall create a relationship of employer-employee, joint venturers, or partners, between the parties. The Consultant shall be solely responsible for all federal and state income taxes attributable to the monies payable to the Consultant for the Services.

13. Books and Records. The Consultant's books and records with respect to the Services and reimbursable costs shall be kept in accordance with generally accepted accounting principles and practices, consistently applied, and will be made available for the Town's inspection at all reasonable times at the places where the same may be kept. The Consultant shall not be required to retain such books and records for more than three (3) years after completion of the services.

14. Obligation of Non-Disclosure. The Consultant agrees to keep confidential any and all

drawings, reports, documents, memoranda, research, plans, analysis, maps, photographs, designs, information and work product either provided by the Town or generated by the Consultant pursuant to this Consulting Agreement, or provided to the Consultant by other consultants. Consultant shall make use of the information or items set forth hereinabove for any purpose, including public hearings of the Town, as expressly directed by the Town, for the Town's benefit. Consultant shall not use the information or items set forth hereinabove for its own account, or another's account, or in any manner detrimental to the Town. The Town acknowledges the need to share said information and items referred to hereinabove with the Consultant's subconsultants under this Consulting Agreement, and hereby approves such sharing and use.

15. Acknowledgement of Ownership. The Town acknowledges that Consultant's drawings and documents are instruments of professional service. Nevertheless, Consultant acknowledges that all drawings documents, information and materials relating to the Services performed and the Project for which the Services are performed, as well as those items described in paragraph 14, are or shall become, upon termination of this Consulting Agreement, the exclusive property of the Town.

16. Return of Information. Promptly upon the Town's request, and in any event upon the termination of this Consulting Agreement for any reason, all documents, materials and writings, as well as those items described in paragraph 14, and all copies thereof provided by the Town to the Consultant, directly or indirectly, shall be returned by the Consultant to the Town.

17. Professional Liability. The Consultant shall exercise in its performance of the Services hereunder the standard of care required by Colorado law. The Consultant shall be liable to the Town for any loss, damages, or costs incurred by the Town for the repair, replacement or correction of any part of the Project which is deficient or defective as a result of any failure of the Consultant to comply with this standard.

18. Communications. All communications relating to the day-to-day Services for the Project shall be exchanged between the respective Project representatives of the Town and the Consultant who will be designated by the parties promptly upon commencement of the Services.

19. Indemnification. The Consultant agrees, to the fullest extent permitted by law, to indemnify and hold harmless the Town, its elected officials and employees (collectively, Town) against all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, to the extent caused by the Consultant's negligent performance of professional services under this Consulting Agreement and that of its subconsultants or anyone for whom the Consultant is legally liable.

20. No Assignment. Consultant's duties and obligations pursuant to this Consulting Agreement require a particular expertise and skill, and may not be assigned to any third party or agency without the express written consent of the Town, which consent may be withheld at the sole discretion of the Town.

21. Notices. Any notices required or permitted hereunder shall be sufficient if personally delivered or if sent by certified mail, return receipt requested, addressed as follows:

If to the Town: Todd Fessenden
Director of Public Works
Town of Erie
P.O. Box 750
Erie, Colorado 80516

With a copy (which shall not constitute notice) to: Erie Town Attorney
Town of Erie
P.O. Box 750
Erie, Colorado 80516

If to the Consultant: Caroline Byus
Senior Project Manager
Leonard Rice Engineers, Inc.
1221 Auraria Parkway
Denver, CO 80204

Notices personally delivered shall be effective upon delivery. Mailed notices shall be effective three (3) business days after mailing.

22. Agreement Subject to Annual Appropriation.

A. The parties hereto understand and agree that sufficient funds have been budgeted for compensation for work done pursuant to this Consulting Agreement for the current fiscal year ending December 31, 2018. This is a full and lawful appropriation as required by appropriate statute for this project. In the event that the Town fails to appropriate sufficient funds to cover any compensation which may become due for the fiscal year beginning January 1, 2019, then, and in that event, this Consulting Agreement shall immediately terminate as of December 31, 2018, without further action of any party. The Town shall provide notice to Consultant prior to December 31, 2018, as to whether an appropriation has been made for further work anticipated following December 31, 2018.

B. The amount of money appropriated by the Town is equal to or in excess of the Consulting Agreement amounts due herein for the current fiscal year.

C. The Town shall be prohibited from issuing any change order or other form of order or directive requiring additional compensable work to be performed, which work causes the aggregate amount payable under this Consulting Agreement to exceed the amount appropriated for the original Consulting Agreement, unless Consultant is given written assurance by the Town that lawful appropriations to cover the cost of the additional work have been made or unless such work is covered under a remedy-granting provision in this Consulting Agreement.

23. Prohibition Against Employment of Illegal Aliens.

A. By its signature on this Agreement, Consultant certifies that, as of the time of its signature, it does not knowingly employ or contract with an illegal alien and that, in order to verify that it does not employ any illegal aliens, the Consultant will participate in the E-Verify Program created in Public Law 104-208, as amended, and expanded in Public Law 108-156, as amended,

administered by the United States Department of Homeland Security and the Social Security Administration.

B. Consultant agrees that it shall not knowingly employ or contract with an illegal alien to perform work under this Agreement; and that it shall not enter into a contract with a subcontractor that fails to certify to the Consultant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract.

C. Consultant has verified through participation in the E-Verify Program that the Consultant does not employ any illegal aliens.

D. Consultant shall not use the E-Verify Program procedures to undertake preemployment screening of job applicants while work under this Agreement is being performed.

E. If Consultant obtains actual knowledge that a subcontractor performing work under this Agreement knowingly employs or contracts with an illegal alien, the Consultant shall: (1) notify the subcontractor and the Town within three days that the Consultant has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and (2) terminate the subcontract with the subcontractor if, within three days of receiving the notice required herein, the subcontractor does not stop employing or contracting with the illegal alien; except that the Consultant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

F. The Consultant shall comply with any reasonable request by the Colorado Department of Labor and Employment made in the course of an investigation that the Department is undertaking pursuant to the authority established in C.R.S. section 8-17.5-101(5).

G. If Consultant violates a provision of this Illegal Alien section, the Town may terminate this Agreement for breach of contract. If the Agreement is so terminated, the Consultant shall be liable for actual and consequential damages to the Town. Consultant understands that, in the event of such a termination, Town is required to notify the office of the Colorado Secretary of State.

24. Attorney's Fees; Interest. In any action brought to enforce the provision(s) of this Consulting Agreement, the prevailing party shall be entitled to an award of all reasonable attorney's fees and costs, including expert witness' fees, expended or incurred, to be recovered as part of the costs therein. Any fees and expenses not paid to Consultant by the Town when due shall earn interest at the rate of four percent (4%) per annum.

25. Waiver. Failure to insist upon strict compliance with any of the terms, covenants, and/or conditions hereof shall not be deemed a waiver of such terms, covenants or conditions, nor shall any waiver or relinquishment of any right or power hereunder at any one time or more times be deemed a waiver or relinquishment of such right or power at any other time or times.

26. Amendments to Agreement. No changes, alterations or modifications to any of the provisions hereof shall be effective unless contained in a written agreement signed by both parties.

27. Entire Agreement. This Consulting Agreement shall constitute the entire agreement between the parties hereto and shall supersede all prior contracts, proposals, representations,

negotiations and letters of intent, whether written or oral, pertaining to the Services.

28. Situs, Venue and Severability. The laws of the State of Colorado shall govern the interpretation, validity, performance and enforcement of this Consulting Agreement. For the resolution of any dispute arising hereunder, venue shall be in the Courts of the County of Weld, State of Colorado. If any provision of this Consulting Agreement shall be held to be invalid or unenforceable, the validity and enforceability of the remaining provisions of this Consulting Agreement shall not be affected thereby.

29. Paragraph Headings. Paragraph headings are inserted for convenience only and in no way limit or define the interpretation to be placed upon this Consulting Agreement.

30. Binding Agreement. This Consulting Agreement shall be binding upon and for the benefit of the parties hereto, their successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Consulting Agreement as of the day and year first-above written.

TOWN:

TOWN OF ERIE,
a Colorado municipal corporation

By: _____

ATTEST:

By: _____
Deputy Town Clerk

CONSULTANT:

LEONARD RICE ENGINEERS INC.,
a Colorado corporation

By: 
R. Gregory Roush, P.E., Chief Operating Officer

ATTEST:
By: 

EXHIBIT "A"
(Services to be provided by Consultant)

July 13, 2018

Paul Zills, Esq.
Vranesh and Raisch, LLP
1720 14th St., Suite 200
Boulder, CO 80306

RE: Town of Erie Water Supply Planning Scope of Services

Dear Paul,

Leonard Rice Engineers, Inc. (LRE) is pleased to present this proposed scope of work for engineering services to assist the Town of Erie (Erie) with water supply planning associated with a supplemental water supply in the event of an emergency, such as a catastrophic failure of facilities at Carter Lake or a forest fire. The purpose of the investigation is to provide information regarding the potential yield of this project, possible operations, potential water quality issues, and to lay out the type, location and general size of infrastructure required to implement the project.

I. SCOPE OF SERVICES

LRE proposes to conduct several tasks as part of the above-referenced investigation. LRE proposes to complete the remaining tasks upon written approval to proceed.

- Task A: Characterize the potential well yield and water quality of the aquifer,
- Task B: Conduct water quality sampling and analyses - to be performed in conjunction with other tasks and updated as data become available,
- Task C: Develop a water rights plan and water supply operation plan,
- Task D: Layout a preliminary infrastructure design to develop the water supply,
- Task E: Project Management Task to coordinate data requests, scoping, meetings, invoicing, project status reports would be conducted concurrently with all tasks.

Task A: Characterize the potential well yield and water quality of the aquifer

1. Field Investigation: Site Characterization Field Data Collection

- Test Well Drilling
- Aquifer Test
- Initial Water Quality Evaluation
- Geophysical Surveys

LRE will summarize results of the field investigation in a technical memorandum describing methods, results, and interpretations. We will provide an updated site conceptual model that characterizes the aquifer conditions, including estimated well yield potential and initial water quality conditions.

COST ESTIMATE TASK A (LRE labor only): \$26,600

Based on our discussions, the Town of Erie would prefer to contract directly with subcontractors to complete the geophysical surveys, well drilling, aquifer testing and laboratory analyses.

We will work with contractors to get firm bids for the work described above. Although the costs will change as more information is available, the list below provides a preliminary estimate of contractor costs:

- Drilling Contractor: ~\$10,000
- Pumping Contractor: ~\$10,000
- Geophysical Contractor: ~\$20,000
- Initial Water Quality Laboratory Analysis: ~\$4,000

A Sampling and Analysis Plan described in Task B will be developed by LRE with input from the Town of Erie and HDR. The Town of Erie will contract directly with a preferred laboratory for all costs related to chemical or environmental analyses.

COST ESTIMATE TASK A: \$70,600 (including contractor costs).

The scope for Task A will be agreed upon before any field investigations are commenced.

Task B: Water Quality Sampling, Data Management, and Analyses

1. Water Quality Sample Collection and QA/QC – surface water and groundwater

a. New water quality data collection:

Sampling events will be conducted by Erie staff at the selected surface water and groundwater sites at a frequency of once per month for 12 months. LRE will provide sample collection and processing, and flow measurement training for the first sampling event according to the SAP. Erie staff will collect water chemistry and field measurements for all remaining sampling events. Water chemistry samples will be processed and sent to the chosen contract laboratory for analysis using the protocols identified in the SAP. Erie will coordinate with the contract laboratory and arrange for them to copy all digital sampling results to LRE. LRE will QA/QC and calculate flows based on

field measurements provided by Erie, and will QA/QC field collected data and water chemistry data results. Data will be compiled, organized according to purpose and need, and evaluated as described in Subtask 2. Data results will be provided in excel format.

- b. Existing water quality data, review, and QA/QC: LRE will expand the existing water quality dataset - compiled for the discharge permit review - to include data for Erie's broader needs and interests. The final dataset(s) will be provided to the Town of Erie for use in additional evaluations (e.g. permitting, drinking water, and wastewater treatment analyses).
 - Available water quality data (surface water and groundwater) that are in the vicinity of the NWRf outfall (both upstream and downstream) will be reviewed, screened, compiled, QA/QCed, and organized to support Erie's water supply, drinking water, and wastewater interests. Internal and external water quality studies.

2. Water Quality Analyses

An evaluation of surface water and groundwater quality will be conducted using data collected and summarized in Task B.1 (a and b). LRE will provide recommendations for additional analyses in cases where existing data are not sufficient for conducting the analyses, or where additional data and analysis is required to support decision-making.

Findings of the water quality analyses subtask will be summarized in a technical memorandum.

3. NWRf WWTF Effluent Limits Assessment. LRE will evaluate how the quantity of Windy Gap water and the timing of its release as NWRf effluent could impact the wastewater treatment facility's current discharge permit.

This task will include the following subtasks:

- a. Working jointly with Erie to develop discharge assumptions, note key parameters of concern, and identify a range of potential hydraulic capacity flows (design flows) that could result from implementation of augmentation plan (based on results of the analysis described in this scope of services) and
- b. Conducting the assessment to determine potential future effluent limits the NWRf WWTF using data compiled in Task 1.

4. Environmental Permit Assessment. *Identify whether any federal permits would be required for construction of a new diversion structure (possible Army Corps of engineers Permit).*

LRE will provide a high-level review of federal, state and local permits that may be necessary to construct the project. The emphasis of the review will be on federal permitting. Specific attention will be placed on reviewing the project with respect to Section 404 of the Clean Water Act (Section 404). If a Section 404 permit will be necessary, a federal nexus will be established and compliance with other Federal Acts may be required (e.g., Section 7 of the Endangered Species Act, Migratory Bird Treaty Act, Bald and Golden Eagle Protection Act, National Historic Preservation Act). It is important to note that permitting requirements may be different if the project involves the installation of groundwater wells instead of a diversion structure(s). We are assuming that this task will include a comparison of permitting requirements for each option. We are also assuming that the project will be constructed in Weld County. A brief technical memorandum summarizing potential permitting considerations will be provided.

COST ESTIMATE TASK B (LRE labor only): \$24,000

Based on our discussions, the Town of Erie would prefer to contract directly with the contract laboratory for sample analysis.

We estimate the cost for laboratory analyses will range from \$20 to \$30,000 annually.

COST ESTIMATE TASK B: \$44,000 to \$54,000 (including laboratory costs).

If results are favorable from previous tasks and written approval to proceed is provided to LRE, Task C will be comprised of the following:

Task C: Develop a Water Rights Plan

1. *How much water is physically and legally available on Boulder Creek near the NWRP?*
To characterize the physical supply, LRE will rely upon the hydrology developed for the Water Quality discharge permitting effort and select a study period that reflects wet, dry and average year conditions. We will conduct a call analysis to evaluate the number of days a junior water right would be in priority and not need to be augmented. A table of monthly physically and legally available flows will be developed, to be incorporated into the monthly water supply model in Task 1.5.
2. *Are there water rights that may impact the availability of physical flows?* These water rights will be summarized and incorporated into the monthly supply model in Task 1.5.

3. *What is estimated yield of new ground water wells?* LRE will review the State database on existing wells. We will also utilize readily available land ownership information to facilitate location/ownership of existing wells and potential well sites for Erie. Our findings will be summarized on a maps, and notes/memos to the file for use in later tasks and incorporation into final report.
4. *What is the potential yield of an augmentation plan that includes new water rights, and how would it operate?* LRE proposes to develop a basic water supply planning model to evaluate the potential increased water supply yield.
5. Preparation of memorandum with tables and figures summarizing our findings and recommendations.

COST ESTIMATE TASK C: \$16,500

Task C may be pursued prior to Task B upon written instruction to LRE.

Task D: Preliminary Infrastructure Design

1. LRE will collaborate with Erie staff on potential diversion structures and wells, including use of any existing infrastructure.
2. LRE will provide a written discussion of the pros and cons of the alternative routes, use of infrastructure, etc.
3. LRE can provide opinions of estimated costs for wells, and pumps.
4. LRE will prepare a map with property ownership and layout of the infrastructure needed to implement the recommended water supply alternative.

COST ESTIMATE TASK D = \$3,600

Task D may also be pursued with written approval to proceed and prior to Task B upon written instructions to LRE.

Task E: Project Coordination and Management

1. LRE estimates 4 project coordination and milestone meetings, as well as necessary phone calls email correspondence, and preparation of progress statements for invoicing. *The total includes \$2,500.00 for work and meetings associated with development of this Scope of Services.*

COST ESTIMATE TASK E = \$8,100

TOTAL PROJECT COST ESTIMATE (LRE labor only) = \$78,800

II. TIME REQUIRED

We can begin the proposed services as soon as we receive authorization to proceed. We estimate the services under Part I can be completed over the course of 6 to 12 months as described in the individual tasks. Some tasks will require updates as data from sample collection and analysis become available.

Delays caused by major changes in the project plans or by circumstances beyond the control of the engineer could extend the time of completion.

III. PAYMENT

Payments for our services, like other professional services, are based on the actual time spent on your behalf and are measured by standard hourly rates in effect at the time the services are performed. For those assigned to your team, those rates currently range from \$200-\$250 for principals; \$95-\$240 for engineers and hydrologists; and \$85-\$110 for technicians, draftsmen, and computer operators. Individuals are assigned to a project based on the type of services involved and the experience and expertise of the individual.

Routine expenses such as telephone and copies are included in the rates above. Outside expenses such as laboratory analysis, obtaining aerial photos, or other special services incurred directly in connection with the project are billed at cost plus 5 percent to cover handling and administration. Reimbursable expenses billed at cost include airfares, automobile rental, and other travel or per diem costs for projects more than 100 miles from the office site. Subconsultants to LRE are billed at cost plus 10 percent.

The scope described under Part I represents our estimate of the services required based on the information provided. As the project proceeds and additional facts are discovered, it may be necessary to perform additional services and some items described may not be needed. For these reasons, we can provide only an estimate of the time and cost of completing the services.

We believe the services described above can be accomplished for \$78,800.00. Invoices are submitted monthly for time and expenses incurred. Terms of payment are net 30 days. Overdue accounts are subject to an interest charge of 1.5 percent per month and services will stop whenever payment is overdue more than 75 days.

IV. LIMITATION OF LIABILITY

In recognition of the relative risks and benefits of the project to both Town of Erie and LRE, the risks have been allocated such that the Town of Erie agrees, to the fullest extent permitted by law, to limit the liability of LRE and its officers, employees, and sub-consultants, to the Town of Erie and all of the Town of Erie's contractors and consultants, for any and all claims, losses, costs, damages of any nature whatsoever; or claims expenses from any cause or

causes, including attorneys' fees and costs and expert witness fees and costs, so that the total aggregate liability of LRE to the Town of Erie shall not exceed the total amount of \$100,000 or the total fees billed to this project, whichever is less. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.

V. SPECIAL SERVICES

Services in addition to those described under Part I will be performed or obtained for the client's account upon request and approval at rates currently in effect. Special services may include, but are not limited to, expert testimony, appearances at public meetings, soil investigations, topographic and land surveys, including establishment of boundaries, well drilling, well and aquifer testing, electric logging, water quality sampling and analysis, preparation of construction drawings and specifications, material testing, and environmental permitting.

Acceptance of this proposal and authorization to proceed with the services can be indicated by signing one copy and returning it to us for our files. The terms of this proposal will be honored for a period of 30 days.

We look forward to discussing this proposal with you and if you have any questions or concerns about the services offered in the proposal please call us at 303-455-9589.

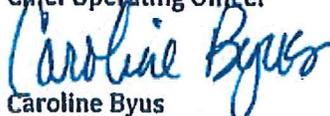
Thank you for providing us the opportunity to present this proposal to the Town of Erie.

Sincerely,

LEONARD RICE ENGINEERS, INC.



R. Gregory Roush, P.E.
Chief Operating Officer



Caroline Byus
Senior Project Manager

For: _____

Contracting Agency

By: _____

Authorized Signature/Title

Date: _____