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PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT combines all understandings between RH2 Engineering, Inc., hereinafter called the "CONSULTANT," and the Hartstene Pointe Water-Sewer District, hereinafter called the "CLIENT," regarding professional services for WWTF Disinfection System Upgrades. This Agreement supersedes all prior proposals, quotations, solicitations, negotiations, representations, agreements, or understandings, whether written or oral. The performance of the professional services described in this Agreement as well as payment for the services shall be in accordance with the terms and conditions in this Agreement and the following Exhibits which are attached:

Exhibit A:

Scope of Work

Exhibit B:

Estimate of Time and Expense

Exhibit C:

Schedule of Rates and Charges

Authorization To Proceed

Signing this form is authorization by the CLIENT for the CONSULTANT to proceed with the work as described in the SCOPE OF WORK stated in the PROFESSIONAL SERVICES AGREEMENT, unless otherwise provided for in the Authorization.

Scope of Work

The CONSULTANT agrees to perform the work in **Exhibit A** and according to the rates shown in **Exhibit C**. The cost to perform this work shall not exceed \$9,983 as shown in **Exhibit B**, without the Client's prior written authorization. Direct expenses are defined as costs other than payroll costs which are directly attributable to the work. They shall include mileage and related expenses, long-distance telephone, facsimile, postage, and delivery, and other expenses incurred in the direct interest of the project. If the CONSULTANT is delayed in the performance of the work by conditions which are beyond their control, or by a change in the Scope of Work, the schedule may be revised.

Ownership of Products and Documents to Be Furnished By the Consultant

Upon completion of the project, the CONSULTANT shall provide the CLIENT with copies of the project documents in accordance with **Exhibit A**. The CONSULTANT shall retain ownership of the source files and information developed by the CONSULTANT in preparing the project documents. Upon request, the CONSULTANT shall provide the CLIENT with electronic copies of the project documents, in accordance with **Exhibit A**, in any of the following formats: Adobe Portable Document Format (PDF), AutoCAD® Drawing Web Format (DWF) or JPEG (JPG). Any reuse of the project documents that is beyond the scope of the project is prohibited without written authorization from the CONSULTANT. Any reuse of the project documents by the CLIENT or any third party shall be without liability to the CONSULTANT.

Professional Standards

The CONSULTANT shall be responsible to the level of competency presently maintained by other practicing professional engineers in the same type of work in the CLIENT's community, for the work furnished under this Authorization. The CONSULTANT makes no other warranty, expressed or implied. The CONSULTANT is entitled to rely on the accuracy and completeness of any data, information, or materials provided by the CLIENT or others in relation to the work.

Outside Services

When technical or professional services are furnished by an outside source, an additional 15% shall be added to the cost of these services for the CONSULTANT's administrative costs. Such services shall not be acquired without written approval of CLIENT.

Payment

The Consultant will send monthly invoices to the Client for completed work for services rendered under this Agreement as provided hereinafter and as specified in **Exhibit B** and **Exhibit C**. Such statements shall be for work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work. All statements for work performed under this Agreement will list actual time (days and/or hours) and dates during which the work was performed and the compensation shall be figured using the rates in **Exhibit C**. Finance charges, computed by a "Periodic Rate" of 1% per month, which is an annual percentage rate of 12% (applied to the previous month's balance after deducting payments and credits for the current month), will be charged on all past-due amounts unless otherwise provided by law or by contract. Invoices not paid within 30 days shall be considered past due.

Termination

Either CLIENT or CONSULTANT may terminate this Authorization by giving ten (10) days' written notice to the other party. In such event, the CLIENT shall pay in full for all work previously authorized and performed prior to the effective date of termination. If no notice of termination is given, relationships and obligations created by this Authorization shall be terminated upon completion of all applicable requirements of this Authorization.

Legal Expenses

In the event legal action is brought by the CLIENT or CONSULTANT against the other to enforce any of the obligations hereunder or arising out of any dispute concerning the terms and conditions hereby created, the losing party shall pay the prevailing party such reasonable amounts for fees, costs and expenses as may be set by the court.

Andrew & Ball	APPROVED
Richard L Ballard Director PRINT NAME and TITLE	PRINT NAME and TITLE
1/6/16 DATE	DATE
RH2 Engineering, Inc., 22722 29th Drive SE, Suite 210, Bothell, WA 98021	Hartstene Point Water-Sewer District, 772 E Chesapeake Drive, Shelton, WA 98584

EXHIBIT A

Scope of Work

Hartstene Pointe Water-Sewer District WWTF Disinfection System Upgrades Engineering Report

January 2016

Background

Chlorine gas is utilized for disinfection at the Hartstene Pointe Water-Sewer District (District) wastewater treatment facility (WWTF). The District previously retained RH2 Engineering, Inc., (RH2) to prepare an engineering report to address several items at the WWTF that the Washington State Department of Ecology (Ecology) documented as deficient. The project included work by RH2 to evaluate chlorine disinfection alternatives other than chlorine gas. Due to the costs of the chlorine disinfection improvements and higher priority projects at that time, it was decided to re-evaluate the chlorine disinfection improvements in the future.

The District is ready to replace the existing chlorine gas system with a chlorine tablet feeder system. To modify the existing system, Ecology approval is required, per Section 173-240-030 of the State of Washington Administrative Code (WAC). The District has requested that RH2 prepare an engineering report to submit to Ecology for approval to upgrade the existing disinfection system.

This Scope of Work includes preparing the engineering report and submitting to Ecology for approval to replace the existing chlorine gas system. It is assumed the District will directly hire an equipment supplier to provide and install proposed equipment; an electrician as needed; and the District's integrator to perform automatic control improvements. It is also assumed that the District will update the existing operations and maintenance (O&M) manual to reflect the proposed improvements and submit to Ecology. Based on discussion with Ecology, as long as the engineering report addresses design criteria and interim operation of facilities during construction, Ecology will not require design documents to be submitted for approval. Therefore, it is assumed that RH2 will not be providing design work or services during bidding for this project. As part of future services during construction, RH2 may provide the District with technical support during planning and implementation of the proposed improvements by the selected equipment supplier, electrician, and integrator.

Future Task

A scope of work and associated fee estimate for the following task will be developed at a later date:

• Task 2 – Services During Construction

Scoped Task

Task 1 – Engineering Report

Objective: Prepare and submit one (1) preliminary engineering report in accordance with WAC 173-240-030 and 173-240-060. Address comments received from Ecology and submit one (1) final engineering report.

Approach:

- 1.1 Collect and review available information from previous reports completed by others and previous work completed by RH2 regarding the existing chlorine gas system and evaluation(s) for replacement. Review recent data and wastewater flow records provided by the District.
- Summarize the applicable regulations, policies, and design criteria for the WWTF disinfection system upgrades. Update the alternatives analysis previously prepared by RH2 with recent data and wastewater flow records, including capital, operations and maintenance, and 20-year life cycle costs for each alternative. Prepare a preliminary design for the preferred alternative. It is assumed that three (3) alternatives will be evaluated, two (2) of which were included in RH2's previous work: 1) 12.5 percent bulk sodium hypochlorite (included in previous work); 2) dry calcium hypochlorite tablet feeder (included in previous work); and 3) dry trichloroisocyanuric acid tablet feeder. It is also assumed that a majority of the existing alternatives analysis will be reused with revisions focused on updated data and costs and the addition of a third alternative. The District prefers a dry trichloroisocyanuric acid tablet feeder. The alternatives analysis will be prepared per Ecology's requirements to substantiate the reason for the preferred alternative.
- 1.3 Prepare a draft engineering report for District and RH2's quality assurance/quality control (QA/QC) reviews. Perform QA/QC review. Prepare a preliminary engineering report that incorporates the comments from the draft engineering report reviews. Submit the preliminary engineering report to Ecology for review. Prepare the final engineering report based on Ecology's comments.

Assumptions:

- The District will directly hire an equipment supplier to provide and install proposed equipment; an electrician; and the District's integrator to perform automatic control improvements.
- Ecology will require an O&M manual update in accordance with WAC 173-240-030 and 173-240-080. The District will update their existing O&M manual to reflect the proposed improvements. Ecology will require a draft O&M manual update with the draft engineering report submittal. Ecology will not require a final O&M manual update until after the proposed improvements have been constructed.
- Based on discussion with Ecology, as long as the engineering report addresses design criteria and interim operation of facilities during construction, Ecology will not require design documents to be submitted for approval.
- Previous evaluation and alternatives analysis prepared by RH2 for replacement of the existing chlorine gas system will be reused and updated based on recent WWTF data and the trichloroisocyanuric acid tablet feeder option.
- It is assumed that the trichloroisocyanuric acid tablet feeder option is feasible and will be approved by Ecology. If during RH2's evaluation of the alternatives or Ecology's review, this option is determined to be unacceptable, an amendment will be prepared to address system replacement with another disinfection option.

Provided by District:

- Existing WWTF construction record drawings (already provided to RH2).
- Discharge Monitoring Reports (DMRs) in Excel format from January 2012 to present.
- Previous engineering report and amendment for the existing WWTF.
- A copy of the District's current National Pollutant Discharge Elimination System (NPDES) Permit (already provided to RH2).

- Wastewater system violations from August 2011 to present.
- Changes to chlorine gas dose and usage from 2012 to present.
- Current costs for chlorine gas.
- Draft engineering report review comments.

RH2 Deliverables:

- One (1) hard copy and one (1) electronic PDF copy each of the draft engineering report for District review.
- One (1) hard copy of the preliminary engineering report for Ecology review.
- One (1) electronic PDF copy of the preliminary engineering report for the District.
- Four (4) hard copies of the final engineering report: one (1) for Ecology, two (2) for the District, and one (1) for RH2.
- One (1) electronic PDF copy of the final engineering report for the District.

EXHIBIT B

Hartstene Point Water-Sewer District WWTF Disinfection System Upgrades Engineering Report

Estimate of Time and Expense

	Description	Total Hours	Tras	al Labor	Total Expense	Total Cost	
	Classification						
Task 1	Engineering Report	56	\$	9,544	\$ 439	\$	9,983
Task 1 1.1	Engineering Report Data Collection and Review	56	\$	9,544 808	\$ 439 \$ 23	\$	9,983 831
		56 5 23	\$ \$ \$			\$ \$ \$	

EXHIBIT C RH2 ENGINEERING, INC. 2016 SCHEDULE OF RATES AND CHARGES						
RATE LIST	RATE	UNIT				
Professional I	\$137	\$/hr				
Professional II	\$150	\$/hr				
Professional III	\$159	\$/hr				
Professional IV	\$170	\$/hr				
Professional V	\$180	\$/hr				
Professional VI	\$189	\$/hr				
Professional VII	\$204	\$/hr				
Professional VIII	\$213	\$/hr				
Professional IX	\$213	\$/hr				
Technician I	\$96	\$/hr				
Technician II	\$101	\$/hr				
Technician III	\$129	\$/hr				
Technician IV	\$137	\$/hr				
Administrative I	\$65	\$/hr				
Administrative II	\$77	\$/hr				
Administrative III	\$92	\$/hr				
Administrative IV	\$108	\$/hr				
Administrative V	\$128	\$/hr				
CAD/GIS System	\$27.50	\$/hr				
CAD Plots Half Size	\$2.50	price per plot				
CAD Plots Full Size	\$10.00	price per plot				
CAD Plots Large	\$25.00	price per plot				
Copies (bw) 8.5" X 11"	\$0.09	price per copy				
Copies (bw) 8.5" X 14"	\$0.14	price per copy				
Copies (bw) 11" X 17"	\$0.20	price per copy				
Copies (color) 8.5" X 11"	\$0.90	price per copy				
Copies (color) 8.5" X 14"	\$1.20	price per copy				
Copies (color) 11 X 17"	\$2.00	price per copy				
Technology Charge	2.50%	% of Direct Labor				
Mileage	\$0.575	price per mile (or Current IRS Rate)				
Subconsultants	15%	Cost +				
Outside Services	at cost					