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April 28, 2016

City of Peoria
3505 N. Dries Lane
Peoria, IL 61604-1210

Attn: Mr. Scott Reeise, PE
City Engineer

Subject: Master Services Agreement (2016-2018 Professional Engineering)
Farnsworth Group, Inc.
Item No. 16-119-H

Dear Scott:

As requested in your letter dated April 26, 2016, please find enclosed one (1) original, executed Agreement for City records. We deeply appreciate the opportunity to continue working and partnering with you and City staff on the projects.

Please call with any comments or questions, or if you need any additional information. We are excited and look forward to starting on Work Orders.

Sincerely,

FARNSWORTH GROUP, INC.

A handwritten signature in black ink, appearing to read "Eric Bachman".

Eric Bachman, P.E.
Principal

STANDARD AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT made on APRIL 12, 2016, between the CITY OF PEORIA, whose address is 419 Fulton, Peoria, IL 61602 hereinafter called the **CITY** and FARNSWORTH GROUP, INC., Consulting Engineers, 7707 N. Knoxville Ave., Ste. 100, Peoria, IL 61614, hereinafter called the **ENGINEER**.

WITNESSETH, that whereas the **CITY** desires the following described Professional Engineering and Land Surveying **SERVICES**, and the **ENGINEER** certifies that he/she is in compliance with Illinois Statutes relating to professional registration of individuals and to corporate practice, if a corporation, for rendering such **SERVICES**:

SERVICES included under this agreement will be defined on a Work Order basis. **SERVICES** shall be performed under the supervision of an Illinois Professional **ENGINEER** and work products shall be sealed by that person, as applicable by law.

NOW THEREFORE, IT IS MUTUALLY AGREED THAT:

The **ENGINEER** agrees to provide the **SERVICES** and the **CITY** agrees to compensate the **ENGINEER** for these **SERVICES** on a time and expense basis in accordance with the attached Schedule of Hourly Charges. The attached Schedule of Hourly Charges is subject to a maximum 3% increase on January 1 of each year of the contract. Reimbursable direct expenses and sub-engineer services performed by another firm will be invoiced at cost. Hours in excess of 8 hours per day or 40 hours per week will only be compensated at the attached Schedule of Hourly Charges. There will be no premium hourly charges awarded.

The **CITY**, represented by the City Engineer or designee, will assign individual projects to the **ENGINEER** at the sole discretion of the **CITY**. A Work Order describing the project limits and proposed improvements shall establish the compensation terms and schedule, if hourly then the attached rate schedule will be used for compensation. The compensation terms of each Work Order shall be the result of negotiations between the **CITY** and **ENGINEER** and be signed by representatives of both parties. Projects to be partially or entirely paid with Motor Fuel Taxes (MFT) dispersed by the Illinois Department of Transportation (IDOT) will require compliance with IDOT's MFT policies. This will include using form BLR05510, BLR05511 or BLR05512 as the Work Order documentation. Work Orders not utilizing MFT or Federal Funds will be of a form acceptable to both parties. The **ENGINEER**, in signing this **AGREEMENT**, certifies that he/she will have no financial or other interests in the outcome of these **Projects**.

The **CITY** and the **ENGINEER** hereby certify that there was compliance with the provisions of the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act (Chapter 30 ILCS 535) in the procurement of the **SERVICES** covered by this **AGREEMENT**.

The **ENGINEER** shall employ only persons duly licensed or registered in the appropriate category in responsible charge of all elements of the **SERVICES**, for which Illinois Statutes require license or registration, and further shall employ only well qualified persons in responsible charge of any elements of the **SERVICES**, all subject to **CITY** approval.

The **ENGINEER** warrants that they have not employed or retained any company or person other than a bona fide employee working solely for the **ENGINEER** to solicit or secure the **AGREEMENT**, and that they have not paid or agreed to pay any company or person other than a bona fide employee working solely for the **ENGINEER** any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of the **AGREEMENT**. For breach or violation of

their warranty, the **CITY** shall have the right to annul the **AGREEMENT** without liability or, in its discretion, to deduct from the **AGREEMENT** price or consideration, or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee. The **ENGINEER** covenants that they have no public or private interest and shall not acquire directly or indirectly any such interest which would conflict in any manner with the performance of their **SERVICES** under the **AGREEMENT**.

The **CITY** will make payment for **SERVICES** rendered monthly in accordance with invoices rendered by the **ENGINEER**.

This **AGREEMENT** shall remain in effect until December 31, 2018. The total fee of all projects completed under this **AGREEMENT** shall not exceed \$1,500,000.00. The **CITY** retains the option to extend the time of this **AGREEMENT** and/or increase the fee limit with City Council approval. The **CITY** and the **ENGINEER** each binds himself, his partners, successors, executors, administrators and assignees to each other party hereto in respect to all the covenants and **AGREEMENTS** herein and, except as above, neither the **CITY** nor the **ENGINEER** shall assign, sublet or transfer any part of his interest in this **AGREEMENT** without the written consent of the other party hereto. This **AGREEMENT**, and its construction, validity and performance, shall be governed and construed in accordance with the laws of the State of Illinois.

The **ENGINEER** agrees to make their best commercially reasonable effort to pursue the work contracted for by the **CITY** in the most cost effective manner while preserving the quality of product to be delivered.

This **AGREEMENT** may be terminated by the **CITY** upon giving notice in writing to the **ENGINEER** at his last known post office address. Upon such termination, the **ENGINEER** shall cause to be delivered to the **CITY** all surveys, permits, **AGREEMENTS**, preliminary bridge design & hydraulic report, drawings, specifications, partial and completed estimates and data, if any from traffic studies and soil survey and subsurface investigations with the understanding that all such material becomes the property of the **CITY**. The **ENGINEER** shall be paid for any **SERVICES** completed and any **SERVICES** partially completed in accordance with the **WORK ORDER** issued by the **CITY**.

EMPLOYEE/EMPLOYMENT RESTRICTIONS – The **ENGINEER** agrees, as a condition of accepting this contract with the **CITY**, that, for a period of one (1) year following completion of this contract, it shall be prohibited from hiring, directly or indirectly, any **CITY** employee or official who was involved, directly or indirectly in: (1) the selection and/or recommendation to select the **ENGINEER** for performance of this contract; (2) coordinating the efforts of the **ENGINEER** in the consummation or completion of this contract; or (3) monitoring or determining the performance of the **ENGINEER**. The **ENGINEER** further acknowledges and agrees that, upon the **CITY'S** determination that a violation of this provision has occurred, the penalty imposed, at the sole discretion of the **CITY**, may include one or more of the following: (1) cancellation of any other contract(s) between the **CITY** and the **ENGINEER**; (2) disqualification of the **ENGINEER** from bidding or being awarded future contracts with the **CITY** for a period of two (2) years; and/or (3) payment of liquidated damages to the **CITY** in the amount of TWENTY FIVE THOUSANDS DOLLARS (\$25,000.00). ***This does not apply to any City Employee involved in the 2011-2012 reduction in force; nor does it apply to parties taking the Early Retirement Incentive offered by the City from November 1, 2011 through November 1, 2012.***

All documents prepared or furnished by **ENGINEER** are the property of the **CITY** to use the documents on the Project, extensions of the Project, and for related uses of the **CITY**, subject to receipt by **ENGINEER** of full payment for all **SERVICES** relating to preparation of the documents. Any such reuse, or any modification of the documents, without written verification, completion, or adaptation by

ENGINEER, as appropriate for the specific purpose intended, will be at **CITY'S** sole risk and without liability or legal exposure to **ENGINEER** or to his officers, directors, members, partners, agents, employees, and **ENGINEERS**. **CITY** shall indemnify and hold harmless **ENGINEER** and its officers, directors, members, partners, agents, employees, and **ENGINEERS** from all claims, damages, losses, and expenses, including attorney's fees, arising out of or resulting from any use, reuse, or modification of the documents without written verification, completion, or adaptation by **ENGINEER**.

The **ENGINEER** agrees to deliver all project documents electronically in a format compatible and acceptable with the **CITY**. All files received are required to function in the chosen software environment without need for post-processing or any adjustments. Any supporting resource files or libraries shall be noted and provided with the submission.

The **ENGINEER** and **CITY** agree to work together on a basis of trust, good faith and fair dealing to achieve the intent of this **AGREEMENT**. Each party shall take such actions that are reasonably necessary to enable the accurate completion of the professional **SERVICES** and other obligations provided under this **AGREEMENT** as intended in a timely, efficient and economical manner.

This **AGREEMENT** shall continue as an open **CONTRACT** and the obligations created herein shall remain in full force and effect until the completion of construction or any **PHASE** of professional **SERVICES** performed by others based upon **SERVICES** or **SERVICE** product provided by the **ENGINEER**. All obligations of the **ENGINEER** accepted under this **AGREEMENT** shall cease if construction or subsequent professional **SERVICES** are not commenced within 5 years after final delivery of professional **SERVICES** or work product pursuant to this **AGREEMENT**.

At any time during construction or during any **PHASE** of professional **SERVICES** performed by others based on **SERVICES** or **SERVICE** product provided by the **ENGINEER**, the **ENGINEER** will confer with the **CITY** and others upon request for the purpose of interpretation or providing clarification of the **SERVICES** or work product provided by the **ENGINEER**.

The **ENGINEER** will guard against **ERRORS** and **OMISSIONS** in the performance of the professional **SERVICES** under this **AGREEMENT**. The **ENGINEER** will apply appropriate care to the performance of the professional **SERVICES** and the preparation of all **SERVICE** products called for in this **AGREEMENT**, including but not limited to, plans and drawings, contract documents and other instruments to be furnished in the course of performance of the **SERVICES**. The **ENGINEER** shall be governed by that degree of care, knowledge, skill, and diligence that other reputable members of the engineering profession would ordinarily exercise under like circumstances within the State of Illinois. The **ENGINEER** will be responsible to the **CITY** for **DAMAGES**, arising from **ERRORS** and **OMISSIONS** caused by the **ENGINEER'S NEGLIGENCE** in the performance of the professional **SERVICES** and preparation of **SERVICE** products under this **AGREEMENT**. When agreed, the **ENGINEER** will be liable for special or consequential damages defined in the **AGREEMENT**.

Acceptance of the **SERVICES** will not relieve the **ENGINEER** of the responsibility for subsequent correction of any such **ERRORS**, **OMISSIONS**, and/or negligent acts or of his/her liability for loss or damage resulting there from. In the event any dispute or claim, related to construction or the construction contracts, should arise between any of the parties to this **AGREEMENT**, each party agrees to exercise good faith efforts to resolve the matter fairly, amicably and in a timely manner.

The **CITY** will notify the **ENGINEER** of any **ERROR** or **OMISSION** believed by the **CITY** to be caused by the **NEGLIGENCE** of the **ENGINEER** as soon as practicable after discovery. Notification may be given by the most practical means deemed suitable by the **CITY**. The **ENGINEER** will designate and keep current the name of an individual with proper address and telephone number for purposes of

notification hereunder. The notification will advise the **ENGINEER** of the nature of the matter, the action sought from the **ENGINEER** and the time constraints required for response. The **ENGINEER** agrees to contact the **CITY** promptly in accordance with the time constraints contained in the notification, to undertake necessary construction site visits and inspections, to dispatch personnel to appropriate **CITY** office locations for resolution purposes, and to complete all corrective work necessary to resolve the matter notwithstanding any disagreement or dispute as to **NEGLIGENCE**. In the event it is later determined that the **ENGINEER** was not negligent, the **ENGINEER** will be compensated for additional **SERVICES** performed in accordance with the payment provisions of this **AGREEMENT**. The **CITY** reserves the right to take immediate action to remedy any **ERROR** or **OMISSION** if notification is not successful; if the **ENGINEER** fails to respond to a notification; or if the conditions created by the **ERROR** or **OMISSION** are in need of urgent correction to avoid accumulation of additional construction costs or danger to the public or damage to property and reasonable notice is not practicable.

Any dispute in the interpretation of the provisions of the **AGREEMENT** or the damages accessed due to **ENGINEER ERRORS OR OMISSIONS** shall be settled through negotiation between the **ENGINEER** and the City Manager or designee of the signatory parties. If they cannot agree, the dispute will be referred through proper administrative channels to the **CITY**. The **CITY** shall decide all claims, questions and disputes and the decision shall be final. The **CITY** may request the **ENGINEER** firm file a claim for adjudication by the Court of Claims within 60 days after the date of the written response. This shall not be construed to abrogate the **ENGINEER'S** rights under the law.

The **ENGINEER'S PROFESSIONAL LIABILITY INSURANCE** policy will provide coverage for all claims the **ENGINEER** shall become legally obligated to pay resulting from any negligent act, **ERROR** or **OMISSION** related to **ENGINEER'S** professional **SERVICES** required under this **AGREEMENT**.

To the fullest extent permitted by law, **CITY** and **ENGINEER** waive against each other, and the other's employees, officers, directors, agents, insurers, partners, and **ENGINEERS**, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the **AGREEMENT**, and agree that **ENGINEER'S** total liability to **CITY** under this **AGREEMENT** shall not exceed \$1,000,000.

ENGINEER certifies that to the best of its knowledge and belief, **ENGINEER** and **ENGINEER'S** principals: a) are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any federal **CITY** or agency; b) within a three-year period preceding this **AGREEMENT** have not been convicted of or had a civil judgment rendered against it for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, violation of federal or state anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph 5-40(b); (d) have not within a three-year period preceding this **AGREEMENT** had one or more public transactions (federal, state, or local) terminated for cause or default.

The **ENGINEER** agrees that it shall not knowingly enter into any lower tier covered transaction when a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized, in writing by the **CITY**. The **ENGINEER** agrees that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the **CITY**, without modification, in all lower-tier covered transactions and in all solicitations for lower-tier covered transactions. The **ENGINEER** may rely upon a certification of a prospective participant in a lower-tier covered transaction that it is not

debarred, suspended, ineligible or voluntarily excluded from the covered transaction, unless **ENGINEER** knows the certification is erroneous. **ENGINEER** may decide the method and frequency by which it determines the eligibility of its principals. If the **ENGINEER** knowingly enters into a lower-tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation, the **CITY** may terminate the **CONTRACT** for cause or default.

The **ENGINEER** shall obtain the following minimum amounts of insurance from insurance companies authorized to do business in the State of Illinois:

Workmen's Compensation Insurance in accordance with the laws of the State of Illinois.

Commercial General Liability. Required liability insurance coverage shall be written in the occurrence form and shall provide coverage for the operations of the **ENGINEER**: operations of **SUBCONSULTANTS** (contingent or protective liability); completed operations; broad form property damage; and contractual liability. The general aggregate limits shall be endorsed on a per **PROJECT** basis.

- (1) General Aggregate Limit \$2,000,000
- (2) Each Occurrence Limit \$1,000,000

The coverage shall provide by an endorsement in the appropriate manner and form, the City of Peoria, its officers, directors, employees, agents, and representatives, are named as additional insured with respect to the policies and operations performed. The **CITY** may accept a separate owner's protective liability policy provided all coverage, limits and endorsements are in conformity with this Section.

Commercial Automobile Liability. The policy shall cover owned, non-owned and hired vehicles.

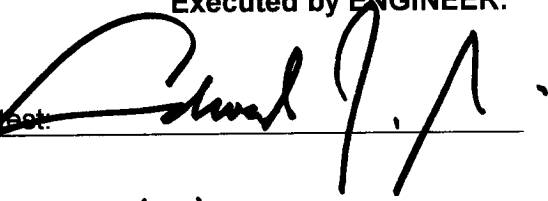

Bodily Injury & Property Damage
Liability Limit Each Occurrence \$1,000,000

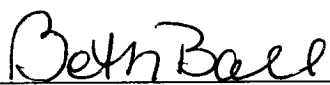
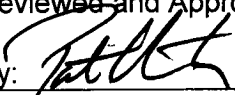

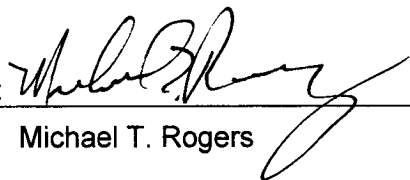
Umbrella Liability. Any policy shall provide excess limits over and above the other insurance limits stated in this Section. The **ENGINEER** may purchase insurance for the full limits required or by a combination of primary policies for lesser limits and remaining limits provided by the umbrella policy.

Such insurance shall be maintained in full force and effect during the life of the **AGREEMENT** and shall protect the **CITY**, its employees, agents and representatives from claims for damages, for personal injury and death and for damages to property arising in any manner from the negligent act or failure to act by the **ENGINEER**, its employees, agents and representatives in the performance of the **SERVICES**.

Certificates showing that the **ENGINEER** is carrying the above-described insurance in the specified amounts shall be furnished to the **CITY** before it is obligated to make any payment to the **ENGINEER** for **SERVICES** performed under the provisions of the **AGREEMENT**. The certificates shall provide that the policies shall not be changed or cancelled during the life of the **AGREEMENT** until 30 days advance written notice to the **CITY** has elapsed.

IN WITNESS WHEREOF, the parties hereto have affixed their hands and seals this 28 day of April, 2016.

Executed by ENGINEER:	
Attest: 	By: 
Title: <u>PRINCIPAL</u>	Title: <u>Principal</u>

Executed by CITY:		City of Peoria, Illinois
Attest:	Reviewed and Approved:	
By: 	By: 	
Beth A. Ball	Patrick Urich	
Title: City Clerk	Title: City Manager	
	By: 	
	Donald P. Leist	
	Title: Corporation Counsel	
	By: 	
	Michael T. Rogers	
	Title: Director of Public Works	

Farnsworth Group understands the importance of efficiency, flexibility, partnership, and doing more with less for the timely completion of the various engineering jobs and projects requested by the City of Peoria. Due to the benefit and stability of long term (multi-year) project commitments, we propose the following multipliers for the respective jobs.

- Roadway/Streets/Structures Phase I Planning & Phase II Design Services multiplier of 3.00
- Drainage design, GIS, Traffic, Specialty multiplier of 3.00
- Phase III Construction Services multiplier of 2.80

Please find the following typical rates that would apply to jobs:

- A) Subconsultant Services: zero (0.00) markup
- B) Direct Costs/Expenses: zero (0.00) markup
- C) CADD: \$15 per hour
- D) Mileage for meetings: \$0.57 per mile
- E) Field Truck Const/Survey: \$65 per day

Farnsworth Group has a successful history with negotiating a reasonable and fair scope of work, associated hours, and project fee with the City of Peoria.

Please reference the table to the right for a listing of the average hourly billing rate for our team members for design and construction services.

Note: Annual increases for 2017 and 2018 rates would be 3.0%.

City of Peoria 2016 Various Engineering Planning, Design, & Construction Billing Rates Farnsworth Group, Inc.		
Classification	Avg. Rate Design	Avg. Rate Constr.
Administrative/Clerical	\$69	\$65
Technician I	\$54	\$51
Technician II	\$65	\$61
Senior Technician	\$71	\$66
Chief Technician	\$85	\$80
Lead Technician	\$95	\$89
Computer Specialist	\$110	\$103
Integration Specialist	\$80	\$75
Designer	\$91	\$85
Senior Designer	\$105	\$98
Project Designer	\$115	\$108
Senior Project Designer	\$129	\$121
Technical Manager	\$150	\$140
Professional Intern I	\$80	\$75
Professional Intern II	\$85	\$80
Professional	\$100	\$94
Senior Engineer/Architect/Surveyor	\$110	\$103
Project Engineer/Architect/Surveyor	\$125	\$117
Sr. Project Engineer/Designer/Architect	\$135	\$126
Engineering/Architectural/Surveying Manager	\$160	\$150
Sr. Engineering/Architectural/Surveying Manager	\$180	\$168
Principal	\$210	\$196

Fee Schedule

2016 Average Hourly Billing Rates Based on Labor Classification

Labor Classification	Average Hourly Rate 2016 Design	Average Hourly Rate 2016 Construction
Director/Principal	\$179	\$167
Senior Engineering Manager	\$165	\$154
Senior Project Engineer	\$138	\$129
Project Designer	\$127	\$119
Project Engineer	\$124	\$116
Senior Engineer	\$111	\$104
Designer/Computer Specialist	\$99	\$93
Senior Technician	\$96	\$90
Engineer/Land Surveyor	\$92	\$86
Technician II	\$75	\$70
Technician I	\$67	\$63
Administrative Support	\$66	\$62

The above rates represent the average hourly billing rate for team members. A multiplier of 3.0 has been applied to design services; a multiplier of 2.8 has been applied to construction services. Foth proposes annual increases of three percent (3%) on labor rates.

2016 Resource Charges Schedule

Item	Cost Basis	Standard Charge
Computer Usage		
CADD/GIS	Cost/Usage	\$15/hr
Travel		
Automobile Travel	Mileage	\$0.57/mi ⁽¹⁾
Public Transportation		Cost
Subsistence and Lodging		Cost
Equipment		
Special equipment rates quoted on an individual basis, if requested.		
Subconsultants, if needed		Cost
Miscellaneous		Cost

Note: This list is not all inclusive but represents the most common resource charges applied to Foth Infrastructure & Environment projects.

⁽¹⁾ Mileage rates are subject to change based on Federal Government Standards and economic conditions.