

ACORD**CERTIFICATE OF LIABILITY INSURANCE**CITY OF NEWBERG
DATE (MM/DD/YY) 08/19/1997
CITY RECORDER INDEX NO. 1572

PRODUCER

402-691-6000

Alexander & Alexander Inc.
Aon Risk Services
12120 Shamrock Plaza
P O Box 3388
Omaha NE 68103-0388

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY

A

AMERICAN GUARANTEE & LIABILITY

COMPANY

B

ZURICH INSURANCE CO

COMPANY

C

HARTFORD FIRE INS CO

COMPANY

D

CONTINENTAL CASUALTY CO

INSURED

HDR Engineering, Inc.
8404 Indian Hills Drive
Omaha, NE 68114-4049

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
B	GENERAL LIABILITY	CPO802204403	06/01/1997	06/01/1998	GENERAL AGGREGATE \$ 1,000,000
	☒ COMMERCIAL GENERAL LIABILITY				PRODUCTS - COMP/OP AGG \$ 1,000,000
	☐ CLAIMS MADE ☒ OCCUR				PERSONAL & ADV INJURY \$ 1,000,000
	OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE \$ 1,000,000
					FIRE DAMAGE (Any one fire) \$ 1,000,000
					MED EXP (Any one person) \$ 5,000
A	AUTOMOBILE LIABILITY	BAP229252700	06/01/1997	06/01/1998	COMBINED SINGLE LIMIT \$ 1,000,000
A	☒ ANY AUTO	BAP802204503	06/01/1997	06/01/1998	BODILY INJURY (Per person) \$
A	☐ ALL OWNED AUTOS	TAP802460703	06/01/1997	06/01/1998	BODILY INJURY (Per accident) \$
	☐ SCHEDULED AUTOS				PROPERTY DAMAGE \$
	☒ HIRED AUTOS				
	☒ NON-OWNED AUTOS				
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	☐ ANY AUTO				OTHER THAN AUTO ONLY: \$
					EACH ACCIDENT \$
					AGGREGATE \$
	EXCESS LIABILITY				EACH OCCURRENCE \$
	☐ UMBRELLA FORM				AGGREGATE \$
	☐ OTHER THAN UMBRELLA FORM				\$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	91WBRMX9750	06/01/1997	06/01/1998	☒ WC STATUTORY LIMITS ☐ OTHER
	THE PROPRIETOR/ PARTNERS/EXECUTIVE OFFICERS ARE: ☒ INCL ☐ EXCL				EL EACH ACCIDENT \$ 100,000
					EL DISEASE - POLICY LIMIT \$ 500,000
					EL DISEASE - EA EMPLOYEE \$ 100,000
D	Architects & Engineers Professional Liability	PLN113978408	09/01/1996	06/01/1998	Per Claim \$ 1,000,000
					Aggregate \$ 1,000,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS Master #56.01

Additional Insured as respects General Liability (per CG2010 attached):

The City of Newberg, Oregon, its officers, agents and employees

CERTIFICATE HOLDER

The City of Newberg
Attn: Mike Soderquist
Community Development Department
719 East First Street
Newberg, Oregon 97132

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ~~SEND BY~~ MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, EXCEPT 10 DAYS NOTICE FOR NON-PAYMENT.

~~THIS POLICY IS NOT A CONTRACT AND NO OBLIGATION OR LIABILITY SHALL BE INCURRED BY THE COMPANY OR ITS AGENTS OR REPRESENTATIVES.~~

DE X ANY X KIND X UPON X THE X COMPANY X ITS X AGENTS X OR X REPRESENTATIVES
AUTHORIZED REPRESENTATIVE

William N. Vobejda

ACORD 25-S (1/95)

© ACORD CORPORATION 1988

@ds#139627

POLICY NUMBER: CPO 802-2044-03

COMMERCIAL GENERAL LIABILITY
CG 20 10 10 93

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS (FORM B)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name of Person or Organization:

Per Schedule on file with company and stated on each certificate where applicable.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.



AGREEMENT

CITY OF NEWBERG

and

HDR ENGINEERING, INC.

JUNE 1997



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AGREEMENT
between
CITY OF NEWBERG
and
HDR ENGINEERING, INC.
for
PROFESSIONAL ENGINEERING SERVICES

This **AGREEMENT** is made and entered into this 20th day of August, 1997, by and between the **CITY OF NEWBERG, OREGON**, 414 East First Street, Newberg, Oregon 97132, hereinafter referred to as the "**CITY**", and **HDR ENGINEERING, INC.**, 4500 SW Kruse Way, Suite 300, Lake Oswego, Oregon 97035, hereinafter referred to as the "**ENGINEER**", for engineering services for the project known as the **INSTRUMENTATION AND CONTROL AND ELECTRICAL SYSTEMS UPGRADE AT THE WATER TREATMENT PLANT** hereinafter called the "**PROJECT**".

RECITALS:

1. The CITY has sent out a Request for Proposals to do the PROJECT. HDR Engineering, Inc. responded to the RFP.
2. The ENGINEER represents that it is an experienced engineering firm and can perform the services required for the project.
3. The CITY wishes to employ the ENGINEER to perform the services required for the PROJECT.

CITY and ENGINEER, in consideration of the mutual promises and covenants contained herein, agree as follows:

SECTION 1 - BASIC SERVICES (Task Order One)

The ENGINEER shall provide services specifically to the CITY. The ENGINEER's basic services and responsibilities are set out in Attachment A (Task Order One) attached hereto and which is made part of this Agreement as if fully set forth herein.

SECTION 2 - ADDITIONAL SERVICES

Additional Services, not covered in Section 1 and in the services listed in Attachment A, shall be provided if authorized and confirmed in writing by the CITY, and shall be paid for by the CITY as provided in this Agreement in addition to compensation for Basic Services. If authorized by the CITY, these Additional Services will be performed under additional Task Orders defining the services to be performed, time of performance, and cost for each phase.

SECTION 3 - PAYMENTS TO ENGINEER

3.1 Payment Terms Defined

3.1.1 Direct Labor Cost

Direct Labor Cost shall mean salary and wages at the time services are performed of personnel engaged directly on the PROJECT, including, but not limited to, engineers, architects, scientists, surveyors, designers, draftsmen, specification writers, estimators, steno, clerical, and other technical personnel but does not include indirect payroll-related costs or fringe benefits.

3.1.2 Overhead Multiplier

Overhead Multiplier shall mean a factor by which the Direct Labor Cost is multiplied to compensate for general and administrative overhead and profit. General and administrative overhead and profit does not include any reimbursable expenses.

3.1.3 Reimbursable Expenses

Reimbursable Expenses shall mean the actual expenses incurred directly or indirectly in connection with the PROJECT, including, but not limited to Subconsultant or Subcontractor costs, transportation and subsistence incidental thereto, obtaining bids or proposals from Contractor(s), providing and maintaining field office facilities, including furnishings and utilities, subsistence and transportation of Resident Project Representatives and their assistants, toll telephone calls, express mail and telegrams, reproduction of reports, drawings, specifications, bidding documents, and similar PROJECT-related items in addition to those required under **Section 1**. In addition, Reimbursable Expenses will also include expenses incurred for out of the ordinary computer time and other highly specialized equipment, including an appropriate charge for previously established programs and expenses of photographic production techniques. Reimbursable Expenses will include a 5% markup over ENGINEER's cost. Reimbursable Expenses shall be approved in writing by CITY's representative to ensure that they are directly related to PROJECT and are not, as a matter of standard practice, part of general and administrative overhead. CITY's representative decision will be final.

3.1.4 Payment Terms Not to Exceed Figure

Not to exceed figure shall mean a figure that the ENGINEER estimates is enough to pay for the ENGINEER services to accomplish the task requested by the CITY. The figure shall not be exceeded except for unusual circumstances which could not be anticipated by the ENGINEER. The ENGINEER shall promptly notify the CITY if it anticipates that it will exceed the figure. The ENGINEER will not exceed the figure without written approval of the CITY and any compensation due beyond the figure prior to written approval will be forfeited by the ENGINEER and no claim for such compensation will be made. Any requests to exceed the figure shall state what the circumstances which were unforeseen or unable to be taken into account when the not to exceed figure was derived.

3.2 Basis and Amount of Compensation for Basic Services

The CITY agrees to pay the ENGINEER for the services as enumerated on the basis of the Employee Rate Schedule listed with Attachment A as total compensation for each hour an employee or ENGINEER works on the PROJECT. For those employees of the ENGINEER working on the PROJECT but not on the Employee Rate Schedule, the CITY agrees to pay the ENGINEER on the basis of the Direct Labor Cost times an Overhead Multiplier of 3.15 for each hour said employee works on the PROJECT. Reimbursable Expenses will be paid in addition to ENGINEER's hourly compensation. Personnel not listed on rate schedule may not be utilized without written authorization of the CITY's representative.

3.2.1 Monthly Payment

The CITY agrees to pay the ENGINEER monthly for the services enumerated in Section 1 and in any Task Orders executed under this Agreement.

3.2.2 Basis and Amount of Compensation for Additional Services

Compensation for Additional Services shall be on a basis to be agreed upon in writing at time of request for Additional Services. An estimate of the fee for additional services with a not to exceed figure will be made at the time of the additional services request.

3.3 Other Provisions Concerning Payments

3.3.1 Date Payment is Due

If CITY fails to make any payment due ENGINEER for services and expenses within 60 days after receipt of ENGINEER's statement, the amounts due ENGINEER will be increased at the rate of 1-1/2% per month from date the invoice becomes delinquent, and in addition, ENGINEER may, after giving seven days' written notice to CITY, suspend services under this Agreement until ENGINEER has been paid in full all amounts due for services, expenses and charges.

3.3.2 Suspension of Project

If the PROJECT is suspended or abandoned in whole or in part for more than 90 days, ENGINEER shall be compensated for all services performed prior to receipt of written notice from the CITY of such suspension or abandonment, together with Reimbursable Expenses then due.

3.3.3 Deletion of Disputed Items

CITY may temporarily delete any disputed items contained in Engineer's invoice, including items disputed due to lack of supporting documentation, and pay the remaining amount of the invoice. CITY shall promptly notify ENGINEER of the dispute and request clarification and/or remedial action. After any dispute has been settled, ENGINEER shall include the disputed item on a subsequent regularly scheduled invoice or on a special invoice for the disputed item only.

3.3.4 Documentation of Costs and Expenses

Records of ENGINEER's Direct Labor Costs and Reimbursable Expenses pertinent to ENGINEER's compensation under this Agreement will be kept in accordance with generally accepted accounting principles. The ENGINEER will furnish documentation, records and other information in form sufficient to satisfy CITY's auditors upon request by the CITY. Such costs and expenses shall not be due until documentation is furnished, if CITY requests documentation.

3.3.5 Payment for Services and Expenses Upon Termination

In the event of termination of this Agreement by either the CITY or ENGINEER, ENGINEER shall be entitled to payment for services up to the time of termination, plus termination expenses. Termination expenses shall include labor and reimbursable expenses directly attributed to termination.

SECTION 4 - CITY'S RESPONSIBILITIES

So as not to delay the services of ENGINEER, CITY shall do the following in a timely manner:

4.1 City's Representative

The Community Development Director or designee shall act as CITY's representative with respect to services to be rendered under this Agreement and shall have complete authority to transmit

instructions, receive information, interpret and define CITY's policies and decisions with respect to ENGINEER's services for the PROJECT.

4.2 Provide Existing Data

Provide to ENGINEER existing data, plans, reports and other information known to, in possession of, or under control of CITY which are relevant to the execution of ENGINEER's duties on the PROJECT.

4.3 Provide Standards

The ENGINEER shall review all detailed specifications and documents furnished by the CITY. The ENGINEER shall advise the CITY as to the technical accuracy and content of CITY furnished documents. The extent of the review shall be coordinated with the CITY's representative. The CITY agrees to bear total responsibilities for technical accuracy and content of CITY-furnished documents that the CITY requests be incorporated into the PROJECT.

4.4 Provide Access

Arrange for access to, and make all provisions for, ENGINEER to enter upon public and private property as required for ENGINEER to perform services under this Agreement.

4.5 Examine Documents

Examine all studies, reports, sketches, Drawings, Specifications, proposals and other documents presented by ENGINEER, obtain advice of an attorney, insurance counselor and other consultants as CITY deems appropriate for such examination and render in writing decisions pertaining thereto within a reasonable time so as not to delay the services of ENGINEER.

4.6 Provide Advertising

Advertise for proposals from bidders, open the proposals at an appointed time and place, and pay for all costs incidental thereto.

4.7 Provide Prompt Notice

Give prompt written notice to ENGINEER whenever CITY observes or otherwise becomes aware of any condition that affects the scope or timing of ENGINEER's services.

4.8 Approvals and Decisions

At no cost to ENGINEER, provide the above data and services and shall render approvals and decisions as is necessary for the orderly progress of ENGINEER's services.

SECTION 5 - PERIODS OF SERVICE

5.1 Generally

The rates of compensation for ENGINEER's services provided for in this Agreement have been arrived at in anticipation of the orderly and continuous progress of the PROJECT through completion of the Services contained herein. ENGINEER's obligation to render services hereunder will extend for a period which may reasonably be required for the performance of ENGINEER's services and any required extensions thereto. If specific periods of time for rendering services are set forth or specific dates by which services are to be completed are provided, and if such dates are exceeded through no fault of ENGINEER, all rates, measures and amounts of compensation provided herein shall be subject to equitable adjustment, agreed to by both the CITY and the ENGINEER.

5.2 Period of Service

The tasks and services as outlined in the Attachment A shall commence and terminate as indicated in Attachment A. The tasks and services outlined in additional Task Orders shall commence and terminate as indicated within each Task Order.

5.3 Completion of Services

ENGINEER's services under each Phase shall be considered complete at the earlier of: (1) the date when the submissions for that phase have been accepted by CITY; or (2) thirty days after the date when such submissions are deemed complete by CITY's representative. In each case, such additional time as may be considered reasonable for obtaining approval of governmental authorities having jurisdiction to approve the design of the PROJECT shall be added to that particular Phase.

SECTION 6 - GENERAL CONSIDERATIONS

6.1 Standard of Care

ENGINEER shall perform all services under this Agreement in a manner which is consistent with generally accepted standards of professional engineering practice.

6.2 Termination

6.2.1 Termination for Default

This Agreement may be terminated in writing by either party in the event of substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party. However, no termination for default may be initiated unless the other party is given a ten (10) calendar day period to correct any alleged failure after written notice (delivery by certified mail, return receipt requested) of intent to terminate.

6.2.2 Termination for Convenience by City

This Agreement may be terminated in writing (delivered by certified mail, return receipt requested) by CITY for its convenience.

6.2.3 Engineer's Obligation Upon Termination

Upon any termination, ENGINEER shall: (1) promptly discontinue all Services affected (unless a termination notice from CITY directs otherwise); and (2) upon full payment for services, deliver or otherwise make available to CITY all documents, data, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated by ENGINEER in performing this Agreement, whether completed or in process. All payments due ENGINEER at termination shall be made as provided in paragraph 3.3.5.

6.3 Opinions of Probable Construction Cost

Since ENGINEER has no control over the cost of labor, materials, equipment or services furnished by others, or over the Contractor's methods of determining prices, or over competitive bidding or market conditions, ENGINEER's Opinions of Probable Construction Cost provided for herein are to be made on the basis of ENGINEER's experience and qualifications and represent ENGINEER's judgment performed in a manner consistent with that level of care and skill ordinarily exercised by other professional consultants under similar circumstances who are familiar with the construction industry. Therefore, ENGINEER cannot and does not guarantee that proposals or actual Total Project or Construction Costs will not vary from Opinions of Probable Construction Costs prepared by ENGINEER.

6.4 Reuse of Documents

6.4.1 Liability for Reuse Without Written Verification

CITY may make and retain copies for information and reference in connection with the use and occupancy of the PROJECT by CITY and others. Such documents are not intended or represented to be suitable for reuse by CITY or others on extensions of the PROJECT or on any other PROJECT. Any reuse without written verification or adaptation by ENGINEER for the specific purpose intended will be at CITY's sole risk and without liability or legal exposure to ENGINEER. Any such verification or adaptation will entitle ENGINEER to further compensation at rates to be agreed upon by CITY and ENGINEER.

6.4.2 Drawings and Specifications Prepared in CADD Form and Liability for Reuse

CITY will be permitted to retain copies of drawings and specifications prepared in CADD form for the CITY's information in its use of the PROJECT and in a form compatible with the CITY's CADD and wordprocessing program. Because information contained on computer discs and/or magnetic tapes can be unintentionally or otherwise modified by others besides ENGINEER, ENGINEER reserves the right to remove all indicia of ownership and/or involvement from the disc/magnetic tape provided to CITY. The original CADD data will be retained by ENGINEER. Any reuse by CITY or others without written verification or CADD adaptation by ENGINEER for the specific purpose intended will be at the user's sole risk and without liability or legal exposure to ENGINEER. Any such verification or adaptation will entitle ENGINEER to further compensation at rates to be mutually agreed upon by CITY and ENGINEER.

6.5 Insurance

6.5.1 Liability Insurance for Workers' Compensation and Employer's Liability Claims

ENGINEER shall procure and maintain insurance for protection from claims under workers' compensation acts, employer's liability claims, claims for damages because of bodily injury, including personal injury, sickness or disease or death of any and all employees, or of any person other than such employees, and from claims or damages because of injury to or destruction of property, including loss of use resulting therefrom.

6.5.2 Public Liability and Damage Insurance for Protection of City

ENGINEER shall maintain public liability and property damage insurance that protects the CITY and its officers, agents and employees from any and all claims, demands, actions and suits for damages to property or personal injury including death arising from the ENGINEER's work or ENGINEER's subcontractors work under this Agreement. The insurance shall provide coverage for not less than \$200,000 for personal injury to each person, \$500,000 for each occurrence and \$500,000 for each occurrence involving property damage; or a single limit policy of not less than \$500,000 covering all claims per occurrence. The limits of the insurance shall be subject to statutory changes as to the maximum limits of liability imposed upon municipalities of the state of Oregon during the term of this Agreement. The insurance shall be without prejudice to coverage otherwise existing and shall name as additional insureds the CITY and its officers, agents and employees. The insurance shall provide that the insurance shall not terminate or be cancelled without thirty (30) days written notice first being given to the CITY.

6.5.3 Professional Liability Insurance

ENGINEER shall maintain professional liability insurance for protection against claims arising out of performance of services under this Agreement caused by negligent acts, errors, or omissions for

which ENGINEER is legally liable.

6.5.4 Engineer's Certificate of Insurance

The ENGINEER's shall, upon request of the CITY, file and maintain with the CITY a certificate of insurance certifying the insurance coverage required under this Agreement. The adequacy of the insurance shall be subject to the approval of the City Attorney. Failure to maintain insurance coverage as provided under this Agreement shall be cause for immediate termination of this Agreement by the CITY.

6.5.5 Engineer's Liability to City

The ENGINEER's liability to the CITY for any cause or combination of causes is, in the aggregate, limited to an amount no greater than \$1,000,000.

6.6 Subcontracts

Any subcontractors and outside associates, or consultants, required by ENGINEER in connection with the services covered by this Agreement will be limited to such individuals, or firms, as were specifically identified and agreed to during performance of the Agreement. Any substitution in such subcontractors, associates, or consultants will be subject to the prior written approval of CITY.

6.7 Controlling Law

This Agreement is to be governed by and construed in accordance with the laws of the State of Oregon.

6.8 Successors and Assigns

6.8.1 Parties Bind Successors

The parties hereby bind their respective partners, successors, executors, administrators, legal representatives and, to the extent permitted by paragraph 6.8.2, their assigns, to the terms, conditions and covenants of this Agreement.

6.8.2 Nonassignment without Written Consent

Neither CITY nor ENGINEER shall assign, sublet or transfer any rights under, or interest in this Agreement (including, but without limitation, monies that may become due or monies that are due) without the written consent of the other, except to the extent that any assignment, subletting or transfer is mandated by law or the effect of this limitation may be restricted by law.

6.8.3 Nonrelease Upon Assignment

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 professional associates, subcontractors and consultants as ENGINEER may deem appropriate to assist in the performance of Services.

6.8.4 No Third Party Rights

Except as may be expressly stated otherwise in this Agreement, nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than CITY and ENGINEER, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of CITY and ENGINEER and not for the benefit of any other party.

6.9 Compliance With Laws

In connection with its activities under this Agreement, the ENGINEER shall comply with all applicable federal, state and local laws and regulations.

6.10 Indemnification

The ENGINEER shall hold harmless, defend and indemnify the CITY and the CITY's officers, agents and employees against all claims, demands, actions and suits (including all reasonable attorneys fees and costs) brought against any of them arising from the ENGINEER's negligence, omissions or intentional misconduct arising from the work under this Agreement.

6.11 Construction Procedures

ENGINEER shall not manage, supervise, control or have charge of construction, nor shall ENGINEER implement or be responsible for health or safety procedures. ENGINEER shall not be responsible for the acts or omissions of contractors or other parties on the PROJECT and shall not be responsible for construction means, methods, techniques, sequences, or procedures, nor safety precautions or programs. ENGINEER's monitoring or review of portions of the Work performed under construction contracts shall not relieve the Contractor from its responsibility for performing the Work in accordance with applicable contract documents.

6.12 Changes and Modifications

The parties agree that no change or modification to this Agreement, or any attachments hereto, shall have any force or effect unless the change shall be authorized and signed in the same manner as this Agreement.

6.13 Notice

Any notice provided under this Agreement shall be sufficient in writing delivered personally to the following address or deposited in the United States Mail postage paid certified mail return receipt requested addressed as follows to such other address as receiving party thereof shall specify in writing.

The CITY:
Mike Soderquist
Community Development Department
City of Newberg
719 East First Street
Newberg, OR 97132

The ENGINEER:
Bruce R. Willey
HDR Engineering, Inc.
4500 SW Kruse Way, Suite 300
Lake Oswego, OR 97035

6.14 Severability and Waiver

In the event any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall continue to be valid and binding upon the parties. One or more waivers by either party of any provision, term, condition or covenant shall not be construed as a waiver of a subsequent breach of the same by the other party.

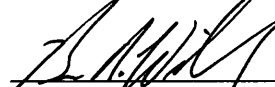
6.15 Extent of Agreement

This Agreement, including all Exhibits, and any and all amendments, modifications, and supplements duly executed by the parties in accordance with this Agreement, govern and supersede any and all inconsistent or contradictory terms, prior oral or written representations or understandings, conditions or provisions set forth in any purchase orders, requisition, request for proposal, authorization of services, notice to proceed or other form or document issued by CITY with respect

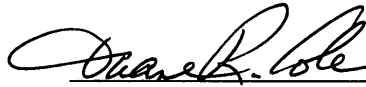
to the PROJECT or ENGINEER's services.

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

ENGINEER
HDR ENGINEERING, INC.:

 Date: 8/19/97
Bruce R. Willey
Senior Vice President

CITY OF
NEWBERG:

 Date: Aug. 20, 1997
Duane R. Cole
City Manager

APPROVED AS TO FORM AND
CONTENT:

 Date: 8/20/97
Terrence D. Mahr, City Attorney

ATTACHMENT A
TASK ORDER I
Newberg Water Treatment Plant
Instrumentation and Control and Electrical Modifications

RE: AGREEMENT to furnish engineering services for the project known as the INSTRUMENTATION AND CONTROL AND ELECTRICAL SYSTEMS UPGRADE AT THE WATER PLANT dated June, 1997.

Upon execution of this Task Order by CITY and ENGINEER, this Task Order will serve as authorization for ENGINEER to carry out and complete the services as set forth below in accordance with the referenced AGREEMENT between the CITY OF NEWBERG, OREGON, and HDR ENGINEERING, INC.

SECTION 1 - GENERAL

The goal of this Task Order No. 1 will be completion of Phases I and II of the implementation plan described in the HDR Control System Improvements plan, Phases IV and VI have been completed with the PLC replacement and other enhancements at the Wastewater Treatment Plant. The emphasis will be completion of design, bidding services, assistance during construction, and PLC programming/startup.

SECTION 2 - SCOPE OF ENGINEERING SERVICES

Task 10-Project Administration

Task includes general project administration such as project management, project progress reports, and other related costs.

Task 20-WTP Control System Final Design

After a kick-off meeting to get all parties informed of the current project status and any changes to the direction or design, ENGINEER will provide a 100% level design for review by the City. ENGINEER will also provide the control loop descriptions for review at the kick-off meeting and 100% design review and make modifications to the I/O database and PLC/Wonderware database as required to complete the design effort. The general scope will be as described in the October 2, 1996 minutes from the review meeting of the preliminary Water Plant I&C design.

Assist with evaluation and startup of the flow meter project currently underway.

Design new MCC equipment and one or two additional VFD's to be located in an existing upper floor area and the design will include the necessary HVAC.

ENGINEER will use of the "front end" documents developed for the Wastewater Treatment Plant (WWTP) PLC replacement project and will include them at the 100% design review.

This task will be subdivided into the Subtasks listed below:

<i>Subtask</i>	<i>Description</i>
21	Kick-off Meeting
22	Specifications/Drawings
23	Control Loop Descriptions/Database Development
24	MCC/Electrical Design
25	VFD/Electrical Design
26	100% Design Review Meeting

Produce five sets of documents for the City's review.

Task 30-Bidding Assistance

ENGINEER will provide bidding assistance similar to that utilized for the WWTP PLC replacement project. ENGINEER will prepare 30 sets of documents and distribute five sets to plan centers which request including the Daily Journal of Commerce (DJC) plan centers in the local area. Included are ENGINEER duplication costs and labor hours to handle placing a DJC add and distribute documents.

Moneys held for plan set costs will be collected, placed into a separate account, and forwarded to the City as a lump sum.

This task will be subdivided into the Subtasks listed below:

<i>Subtask</i>	<i>Description</i>
31	Document Production/Advertising
32	Distribution of Documents

Task 40-PLC Programming/Screen Development Assistance

Based on the current control loop descriptions and ENGINEER's past experience with plant staff, the ENGINEER and CITY have estimated the completion of PLC programming. This task also includes preparation of a simulation and a demonstration. The demonstration provides several benefits: First, the Wonderware/PLC interface is tested and checked on a point-by-point basis as well as tested in operation. Second, it provides an opportunity for plant operation sequence testing and demonstration. Third, it provides an opportunity to check the look and feel of the final system before completion.

This task will be subdivided in to the Subtasks listed below:

<i>Subtask</i>	<i>Description</i>
41	PLC Programming
42	Screen Development Assistance
43	Preparation of Simulation
44	Demonstration/Review

Task 50 - Construction Assistance

Construction assistance primarily includes contractor related functions such as construction meetings, shop drawing review, coordination assistance, and change order preparation.

ENGINEER will conduct bi-weekly meetings over the duration of construction, estimated at approximately 6 months. ENGINEER will review two major shop drawing submittals (electrical and instrumentation) that will require two reviews each and coordination of comments.

ENGINEER will provide general construction observation, as well as complex coordination assistance required when the new equipment is activated. It is anticipated that the transition to the new system will require a number of major cut-overs listed below.

High Service Pumping
Filter Flow Control
Filter Backwash Sequencing
Wellfield Instrumentation

This task will be subdivided into the Subtasks listed below:

<i>Subtask</i>	<i>Description</i>
51	Construction Meetings
52	On-site Coordination/Review
53	Submittal Reviews
54	Change Order Preparation

Task 60-Startup

ENGINEER will assist with the cut-overs anticipated and general time required for PLC program startup, testing, and shakedown. Because of recent Wastewater Treatment Plant experience, formalized operator training is not included but hands-on demonstration and operation assistance as part of the startup effort is included.

Task 70-Other Project

This subtask will provide as required design, coordination, and programming/system development interface with ongoing City projects including pH adjustment chemical addition at the water plant and dechlorination system at the wastewater plant.

SECTION 3 - COMPENSATION

As consideration for providing the services enumerated in SECTION 2 - SCOPE OF ENGINEERING SERVICES of this TASK ORDER NO. 1, the City shall pay the ENGINEER in accordance with the referenced Agreement. The total fee for these Engineering Services shall not exceed \$99,966 without written approval of the City.

(Compensation breakdown attached).

SECTION 4 - ANTICIPATED DESIGN SCHEDULE

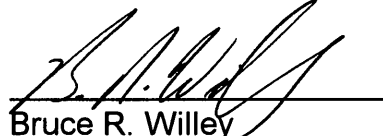
Project Kick-off Meeting
Final Review Documents
Biddable Documents

August 12, 1997
September 12, 1997
October 1, 1997

IN WITNESS WHEREOF, the parties have executed this TASK ORDER NO. 1 as of the day and year shown.

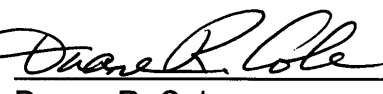
ENGINEER
HDR ENGINEERING, INC.

CITY OF
NEWBERG:



Bruce R. Willey
Senior Vice President

Date: 8/12/97



Duane R. Cole
City Manager

Date: Aug 20, 1997

COMPENSATION BREAKDOWN

Project Estimate Summary

Sr. Engineer - EES	46	\$106.80	\$4,913
Project Engineer - DAW	395	- \$90.99	\$35,939
Engineer - DEB	473	\$76.79	\$36,320
CAD Tech - PJM	88	\$62.37	\$5,489
Word Proc	100	- \$48.36	\$4,836
Clerical	134	\$27.90	\$3,739
Total Hours	1236		\$91,235

Cost \$91,235
Expenses \$8,731

Total Estimate \$99,966

Task	Description	Sr. Engineer	Project Engineer	Engineer	CAD Tech	Word Proc	Clerical
10	Project Administration	8	20	0	0	0	24
20	WTP Control System Final Design	30	86	72	80	96	16
21	Kick-off Meeting		10	8			
22	Specifications / Drawings	8	12	30		24	8
23	Control Loop Descriptions / Database	4	32	10		40	8
24	MCC / Electrical Design	8	16	8	48	16	
25	VFD / Electrical Design	8	8	8	24	16	
26	100% Design Review Meeting	2	8	8	8		
30	Bidding Assistance	0	0	12	0	0	80
31	Document Production / Advertising			8			40
32	Distribution of Documents			4			40
40	PLC Programming / Screen Assistance	8	120	128	0	0	0
41	PLC Programming	8	8	72			
42	Screen Development Assistance		80				
43	Preparation of Simulation		8	32			
44	Demonstration / Review		24	24			
50	Construction Assistance	0	44	136	0	0	10
51	Construction Meetings		8	32			2
52	On-site Coordination / Review		20	40			
53	Submittal Reviews		8	32			8
54	Change Order Preparation		8	32			
60	Startup		80	80			
70	Other Project Interface		45	45	8	4	4
	Total	46	395	473	88	100	134

Expenses

Travel / Miles / Airfare

\$6,000

Computer

\$1,481

Photocopy
Telephone
Total

Detail

\$1,000

\$250

\$8,731