

GENERAL SERVICES AGREEMENT
for
Transportation Engineering and Construction Administration Services
between

PRECISION ENGINEERING LLC and CITY OF MIDDLETON, IDAHO

This Agreement is made and entered into by and between the City of Middleton (“OWNER”) and PRECISION ENGINEERING LLC (“ENGINEER”) on December 31, 2014.

In consideration of the mutual promises herein contained, the OWNER and ENGINEER agree as follows:

1. This Agreement supersedes all other discussions and verbal or written agreements between the OWNER and ENGINEER except pending task orders already requested and approved by the OWNER, if any.

2. TERM

Generally, the term of this Agreement is one year with two, one-year extensions that automatically occur unless this Agreement is terminated. Specifically, this Agreement commences on January 1, 2015 and expires on December 31, 2017, unless terminated earlier. OWNER-approved task orders are expected to be completed by the ENGINEER, even if after December 31, 2017.

3. SCOPE OF SERVICES

During the term of this Agreement, ENGINEER will furnish transportation engineering and construction administration services to OWNER as set forth in individual task orders. Individual task orders are separate from this Agreement and from each other.

3.1 Task Orders. Each task order will identify the scope, cost and time schedule of the proposed services. Such services will be performed by individuals as employees or independent contractors of the ENGINEER and not as employees of the OWNER. The ENGINEER will perform services with due and reasonable diligence consistent with sound professional practices.

3.2 Estimates. The ENGINEER anticipates providing estimated project proposals, bids or construction costs as part of its services, and cannot, therefore does not, guarantee that information or those costs; they are estimates.

3.3 Owner-furnished Information. In the OWNER’s sole discretion, the OWNER will provide the ENGINEER access to OWNER’s records, data, mapping, and other information in OWNER’s possession that is relevant to task orders and requested by the ENGINEER.

- 3.4 **Modifications.** The OWNER may modify a task order at any time, and the OWNER and ENGINEER will agree to an equitable adjustment in cost and schedule.
- 3.5 **Ownership of Information.** All deliverables resulting from a task order, including hard and electronic/digital copies of information, data, mapping, graphics, exhibits and other documents, become and are the property of the OWNER and can be used or modified at any time and for any purpose by the OWNER. The OWNER will indemnify and hold the ENGINEER harmless for claims arising from OWNER'S modification of the ENGINEER'S work product. The ENGINEER shall not modify or use said deliverables without the OWNER's written permission.
- 3.6 **Suspension of Services.** If the OWNER suspends services of the ENGINEER for any reason for more than thirty (30) calendar days, the OWNER and the ENGINEER will agree to an equitable adjustment in cost and schedule.

4. COMPENSATION

- 4.1 **Basic Services.** The OWNER will pay the ENGINEER for services performed according to a task order. The amount and method of payment will be identified and agreed upon in each task order.
- 4.2 **Additional Services.** The ENGINEER will not take any action that could cause the amount the OWNER would be obligated to pay the ENGINEER to exceed the amount agreed to in each task order. However, an amount may be increased or decreased from time-to-time through a written addendum to a task order agreed-to by the OWNER and ENGINEER if additional services are required or the scope of work is modified for any reason.
- 4.3 **Reimbursable Expenses.** The OWNER will pay the ENGINEER only for items specifically agreed upon as reimbursable expenses.
- 4.4 **Invoices and Payment.** The ENGINEER will keep accurate records of services performed and reimbursable expenses incurred according to task orders, and submit detailed monthly invoices to OWNER, who will pay invoiced amounts within 30 calendar days from the date invoiced.
- 4.5 **Interest.** If payment is not received by the ENGINEER within 30 calendar days from the date invoiced, OWNER also will pay interest equal to 1.5% of the past due amount per month.
- 4.6 **Suspension of Services.** If the OWNER fails to make payments when due without a good-faith reason, the ENGINEER may suspend performance of services until payment is received. The ENGINEER will not be liable to the OWNER for any costs or damages resulting from such suspension.

5. TERMINATION

The OWNER and ENGINEER separately may terminate this Agreement by giving to the other written notice of termination at least thirty (30) calendar days prior to the termination date.

If this Agreement is terminated by the OWNER, the OWNER will pay the ENGINEER for services performed, pursuant to then-pending task orders, prior to the date that the notice of termination is given, and will pay for services OWNER authorizes ENGINEER to perform between the date that the notice of termination is given and the termination date.

If this Agreement is terminated by the ENGINEER for any reason other than non-payment of an invoiced amount, the ENGINEER will reimburse the OWNER for costs incurred by the OWNER to find a replacement ENGINEER and, when applicable, the difference between the amount OWNER was to pay the ENGINEER and the amount OWNER pays the replacement ENGINEER to complete a task order with the ENGINEER pending at the time the ENGINEER terminates this Agreement.

6. INSURANCE

The ENGINEER will procure and maintain insurance as set forth below and cause the OWNER to be listed as an additional insured on any general liability insurance policy carried by the ENGINEER applicable to services being performed according to a task order.

Workers' Compensation	Statutory
Employer's Liability	
Each Accident	\$100,000
Disease, policy limit	\$500,000
Disease, each employee	\$100,000
General Liability	
Each occurrence (Bodily Injury and Property Damage)	\$1,000,000
General Aggregate	\$2,000,000
Automobile Liability	
Combined Single Limit (Bodily injury and Property Damage)	
Each Accident	\$1,000,000
Professional Liability Insurance	\$1,000,000
Each Claim Made	\$1,000,000
Annual Aggregate	\$1,000,000

Errors and Omissions

\$1,000,000

7. DISPUTE RESOLUTION

Should a dispute arise over any provision of this Agreement or a task order contemplated herein, OWNER and ENGINEER will negotiate between them in good faith for a period of thirty (30) calendar days from the date the dispute is raised in writing by either the OWNER or ENGINEER.

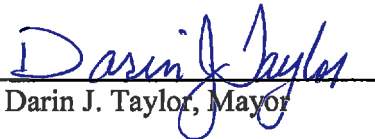
If the parties fail to resolve the dispute through negotiation then, prior to litigation, the dispute will be decided through non-binding mediation or other mutually-agreed alternative dispute resolution process, the fees and expenses of which will be paid equally by the OWNER and ENGINEER. This Agreement will be governed by the laws of the State of Idaho.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

OWNER: CITY OF MIDDLETON

ENGINEER: PRECISION ENGINEERING LLC

By:


Darin J. Taylor, Mayor

P.O. Box 487
Middleton, Idaho 83644

By:


Joel Grounits

539 S. Fitness Place, Ste. 120
Eagle, Idaho 83616