

AGREEMENT

BETWEEN THE

VILLAGE OF HANOVER PARK
HANOVER PARK, ILLINOIS

AND

RJN GROUP, INC.
WHEATON, ILLINOIS

THIS AGREEMENT made this 4th day of October 20 12 by and between the Village of Hanover Park, hereinafter called OWNER and RJN GROUP, INC., with an office in Wheaton, Illinois, hereinafter called ENGINEER.

WHEREAS, the OWNER desires to retain the professional services of the ENGINEER for a project generally described as the Plum Tree Lift Station Study and SSES.

WHEREAS, the ENGINEER desires to perform such services to the OWNER in accordance with the terms and conditions of the AGREEMENT.

NOW, THEREFORE, in consideration of the above recitals, the mutual promises and covenants hereinafter set forth, the parties hereto agree as follows:

Section I - Basic Services of ENGINEER

The specific services which the ENGINEER agrees to furnish are as indicated in the Attachment A "Scope of Services" which is hereby incorporated by reference and made part of this AGREEMENT. Changes in the indicated Scope of Services shall be subject to renegotiation and implemented through an Amendment of this AGREEMENT.

Section II - Future Services of ENGINEER

The ENGINEER is available to furnish and perform, under an Amendment or a separately negotiated agreement, future services to supplement this work.

Section III - Schedule of Services

A. Completion Time

For those services described in Section I, the ENGINEER shall make every reasonable effort to schedule manpower and service elements in a diligent manner. It is recognized by both parties that actions of regulatory agencies and/or others may affect the final project schedule.

AGREEMENT (Cont.)

The services described shall be performed as weather and other physical conditions permit. The ENGINEER shall not be liable to the OWNER, if delayed in, or prevented from performing the work as specified herein through any cause or causes beyond the control of the ENGINEER and not caused by his own fault or negligence. Attachment B "Schedule of Services" is hereby incorporated by reference and made part of this AGREEMENT.

Section IV - Payment for Services

Payment to the ENGINEER shall be made as follows:

A. Payment for Services

The OWNER recognizes that time is of the essence with respect to payment of the ENGINEER's invoices, and that timely payment is a material part of the consideration of this AGREEMENT.

Payment for services rendered shall be made to the ENGINEER at the end of each month's billing cycle upon presentation of the ENGINEER's monthly statement. ENGINEER will provide to the OWNER a detailed statement of tasks by classification and reimbursement expenses. Total payment shall not exceed aforesaid amounts without prior authorization by the OWNER.

If the OWNER objects to all or any portion of an invoice, the OWNER shall so notify the ENGINEER within ten (10) calendar days of the invoice date, identify the cause of disagreement, and pay when due that portion of the invoice, if any, not in dispute.

OWNER has the right to appeal or ask for clarification of any ENGINEER's billing within ten (10) days of date of billing. Until said appeal is resolved, or clarification is issued, no interest will accrue. The OWNER shall exercise reasonableness in contesting any invoice or portion thereof.

Section V - Services to be Provided by the OWNER

A. Authorization to Proceed

The OWNER shall authorize the ENGINEER to proceed prior to the ENGINEER starting work.

B. Access to Facilities and Property

The OWNER shall make its system facilities and properties available and accessible for inspection by ENGINEER and arrange for access to make all provisions for the ENGINEER to enter upon public property as required for the ENGINEER to perform his services.

C. Prompt Notice

The OWNER shall give prompt written notice to ENGINEER whenever OWNER observes or otherwise becomes aware of any development that affects the scope or timing of ENGINEER's services, or any defect in the service or work of the ENGINEER or Contractors in order that the ENGINEER may take prompt, effective measures, which in the ENGINEER's opinion, will minimized the consequences of a defect.

AGREEMENT (Cont.)

D. Compensation of a Cost Not to Exceed

For basic services, as enumerated in Section I, the OWNER shall pay the ENGINEER a maximum not to exceed cost of \$44,610. Payments as described hereinafter shall represent full compensation to the ENGINEER for all payroll costs, expenses, current overhead, profit, and all other costs in connection with the performance of these services. The ENGINEER, if requested, shall provide documentation to the OWNER of all costs in connection with the performance of these services, and as further described in Attachment C "Engineering Costs".

E. Changes of Scope

In the event additional services are required through changes in the scope of the Project, or other unusual or unforeseen circumstances are encountered, or for other consulting services, ENGINEER shall, upon written authorization by the OWNER, perform the additional services as mutually agreed by both parties by supplemental agreement. If renegotiated terms cannot be agreed to, the OWNER agrees that the ENGINEER has an absolute right to terminate the AGREEMENT.

F. Limitation of Engineer's Liability

OWNER hereby agrees that to the fullest extent permitted by law, ENGINEER's total liability to OWNER for any and all injuries, claims, losses, expenses or damages whatsoever arising from or in any way related to the project or this AGREEMENT from any cause or causes including but not limited to ENGINEER's negligence, errors, omissions, strict liability, breach of contract, or breach of warranty shall not exceed the total compensation received by ENGINEER under this AGREEMENT minus subconsultant and direct costs.

Section VI - Construction Cost and Opinions of Cost

- A. The ENGINEER shall submit to the OWNER an opinion of the probable cost required to construct work recommended, designed, or specified by the ENGINEER. The ENGINEER is not a construction cost estimator or construction contractor, nor should the ENGINEER's act of rendering an opinion of probable construction costs be considered equivalent to the nature and extent of service a construction cost estimator or construction contractor would provide. The ENGINEER's opinion will be based solely upon its own experience with construction. This requires the ENGINEER to make a number of assumptions as to actual conditions that will be encountered on site; the specific decisions of other design professionals engaged; the means and methods of construction the contractor will employ; the cost and extent of labor, equipment and materials the contractor will employ; contractor's techniques in determining prices and market conditions at the time, and other factors over which the ENGINEER has no control. Given the assumptions which must be made, the ENGINEER cannot guarantee the accuracy of its opinions of cost, and, in recognition of that fact, the OWNER waives any claim against the ENGINEER relative to the accuracy of the ENGINEER's opinion of probable construction cost. If prior to the Bidding or Negotiation Phase, OWNER wishes greater assurance as to Total Project or Construction Costs, OWNER shall employ an independent cost estimator.

AGREEMENT (Cont.)

Section VII – General Considerations

A. Standard of Practice

Services performed by the ENGINEER under this AGREEMENT will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. No other representation, expressed or implied, and no warranty or guarantee is included or intended in this AGREEMENT, or in any report, opinion, document or otherwise.

B. Survival

All obligations arising prior to the termination of this AGREEMENT and all provisions of this AGREEMENT allocating responsibility or liability between the OWNER and the ENGINEER shall survive the completion of the services hereunder and the termination of this AGREEMENT.

C. Ownership of Instruments of Service

All reports, plans, specifications, field data, field notes, laboratory test data, calculations, estimates, and other documents prepared by the ENGINEER as instruments of service shall remain the property of the OWNER. The ENGINEER shall retain these records for a period of five (5) years following submission of his or her report, during which period they will be made available to the OWNER at all reasonable times.

If the OWNER wishes the ENGINEER to retain documents for a longer period of time, the OWNER shall so specify in advance, in writing, and shall pay in a timely manner all charges agreed to for the ENGINEER's maintenance of such documents beyond the time period otherwise prevailing.

D. Certification

During the course of construction, the ENGINEER may be called upon to determine the degree to which certain design conditions have been achieved by contractors. In performance of this work, the ENGINEER will use sampling procedures, that is, selected portions of the work will be subject to close review and/or testing, and the results observed will be inferred to exist in other areas not sampled. Although such sampling procedures shall be conducted by the ENGINEER in accordance with commonly accepted procedures consistent with applicable standards of practice, the OWNER understands that such procedures indicate actual conditions only where sampling is performed, and that, despite proper implementation of sampling and/or testing procedures, and despite proper interpretation of their results, the ENGINEER cannot assure the existence of conditions which the ENGINEER infers to exist. Since a certification that certain conditions exist comprises an assurance of such conditions' existence, the OWNER agrees that it would be improper for the ENGINEER to certify that certain conditions exist when the ENGINEER cannot assure they exist. Accordingly, the OWNER shall not require the ENGINEER to sign any certification, no matter by whom requested, that would result in the ENGINEER certifying the existence of conditions whose existence the ENGINEER cannot assure. The OWNER also agrees that the OWNER shall not make resolution of any dispute with the ENGINEER or payment of any amount due to the ENGINEER in any way contingent upon the ENGINEER's certifying the existence of conditions whose existence the ENGINEER cannot assure.

AGREEMENT (Cont.)

E. Buried Utilities and Subsurface Risks

The ENGINEER will conduct the research that in its professional opinion is necessary to locate utility lines and other man-made objects that may exist beneath the site's surface. The OWNER recognizes that the ENGINEER's research may not identify all subsurface utility lines and man-made objects, and that the information upon which the ENGINEER relies may contain errors or may not be complete. The ENGINEER will prepare a plan indicating the locations intended for subsurface penetrations with respect to assumed locations of utilities and other man-made objects beneath the site's surface.

The OWNER will approve the location of these penetrations prior to their being made and the OWNER will authorize the ENGINEER to proceed. The OWNER agrees to waive any claim against the ENGINEER and to defend, indemnify and hold the ENGINEER harmless from any claim or liability for injury or loss allegedly arising from the ENGINEER's damaging underground utilities or other man-made objects that were not called to the ENGINEER's attention or which were not properly located on plans furnished to the ENGINEER for any time spent or expenses incurred by the ENGINEER in defense of any such claim, in accordance with the ENGINEER's prevailing fee schedule and expense reimbursement policy.

The OWNER recognizes that special risks occur whenever engineering or related disciplines are applied to identify subsurface conditions. Even a comprehensive sampling and testing program, implemented with the appropriate equipment and experienced personnel under the direction of a trained professional who functions in accordance with a professional standard of practice may fail to detect certain conditions, because they are hidden and therefore cannot be considered in development of a subsurface exploration program. For similar reasons, actual environmental, geologic and geotechnical conditions that the ENGINEER properly inferred to exist between sampling points may differ significantly from those that actually exist. The passage of time also must be considered, and the OWNER recognizes that, because of natural occurrences or direct or indirect human intervention at the site or a distance from it, actual conditions discovered may quickly change. The OWNER realizes that nothing can be done to eliminate these risks altogether, but certain techniques can be applied to help reduce them. The ENGINEER is available to explain these risks and risk reduction methods to the OWNER but, in any event, the scope of services included with this AGREEMENT is that which the OWNER agreed to or selected in light of his or her own risk preferences and other considerations.

F. Reuse of Documents

All documents including Drawings and Specifications prepared or furnished by the ENGINEER (and ENGINEER's independent professional associates and consultants) pursuant to this AGREEMENT are instruments of service in respect of the Project and ENGINEER shall retain an interest therein whether or not the Project is completed. OWNER may make and retain copies for information and reference in connection with the use and occupancy 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 OWNER's sole risk and without liability or legal exposure to ENGINEER's independent professional associates or consultants, and OWNER shall indemnify and hold harmless ENGINEER and ENGINEER's independent professional associates and consultants from all claims, damages, losses and expenses including attorneys' fees arising from or resulting therefrom. Any such verification or adaptation will entitle ENGINEER to further compensation at rates to be agreed upon by OWNER and ENGINEER.

AGREEMENT (Cont.)

G. Termination of Services

This AGREEMENT may be terminated in whole or part 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. Such termination may not be effected unless the other party is given not less than 10 days written notice (delivered by certified mail, return receipt requested) of intent to terminate and an opportunity for consultation with the terminating party and 10 days to cure such substantial failure.

Irrespective of which party shall effect termination or the cause therefore, the OWNER shall within forty-five (45) calendar days of termination remunerate the ENGINEER for services rendered and costs incurred, in accordance with the ENGINEER's prevailing fee schedule and expense reimbursement policy. Service shall include those rendered to the time of termination, as well as those associated with termination itself, such as demobilizing, modifying schedules, reassigning personnel, and so on. Costs shall include those incurred to the time of termination, as well as those associated with termination and post-termination activities. Such costs shall not include payments to third parties engaged by the ENGINEER for services not yet performed. The OWNER may terminate this AGREEMENT with or without cause or reason. Upon receipt of a notice of termination from OWNER, the ENGINEER shall promptly discontinue all services affected (unless the notice directs otherwise) and deliver or otherwise make available to the OWNER (subject to "Reuse of Documents" provisions) all data, drawings, specifications, reports, estimates, summaries, and other information and materials accumulated by the ENGINEER in performing this AGREEMENT, whether completed or in progress.

H. Controlling Law and Disputes

If any of the provisions of this AGREEMENT are invalid under any applicable statute or rule of law, they are, to that extent, deemed omitted. However, the OWNER and the ENGINEER will in good faith attempt to replace an invalid or unenforceable provision with one that is valid and enforceable, and which comes as close as possible to expressing or achieving the intent of the original provision. This AGREEMENT shall be governed by the laws of the State of Illinois, DuPage County.

The parties agree that they shall reasonably attempt to resolve any disputes regarding the interpretation of this AGREEMENT by informal negotiation, the final resolution of which disputes shall require the agreement of both parties.

I. Successors and Assigns

The OWNER and the ENGINEER each binds itself and its partners, successors, executors, administrators, assigns and legal representatives to the other party to this AGREEMENT and to the partners, successors, executors, administrators, assigns and legal representatives of such other party, in respect to all covenants, agreements, and obligations of this AGREEMENT.

Neither the OWNER nor the ENGINEER shall assign, sublet or transfer any rights under or interest in (including, but without limitation, moneys that may become due or moneys that are due) this AGREEMENT without the written consent of the other. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assigner from any duty or responsibility under this AGREEMENT. Nothing contained in this paragraph shall prevent the ENGINEER from employing such independent consultants, associates, and subcontractors as it may deem appropriate to assist it in the performance of services hereunder.

AGREEMENT (Cont.)

The ENGINEER's use of others for additional services shall not be unreasonably restricted by the OWNER provided the ENGINEER notifies the OWNER in advance. Nothing herein shall be construed to give any rights or benefits hereunder to anyone other than the OWNER and the ENGINEER, and all duties and responsibilities undertaken herein will be for the sole and exclusive benefit of the OWNER and the ENGINEER and not for the benefit of any other party.

J. Dispute Resolution

All claims, disputes or controversies arising from, or in relation to, the interpretation, application or enforcement of this AGREEMENT shall be decided through mediation or arbitration whichever is mutually agreed upon by OWNER and ENGINEER.

IN WITNESS THEREOF, the parties hereto have caused this AGREEMENT to be executed this 12 day of Oct, 2012.

For the OWNER:

VILLAGE OF HANOVER PARK

[Signature]
Name

Village President
Title

ATTEST:

[Signature]

For the ENGINEER:

RJN GROUP, INC.

[Signature]
Name

President/CEO
Title

- Attachment A - Scope of Services
- Attachment B - Schedule of Services
- Attachment C - Engineering Costs

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ATTACHMENT A: SCOPE OF SERVICES

Task 1 – Lift Station Evaluation

1. Review lift station data provided by the Village, including data from historical rain events.
2. Review Village video of downstream sewer segments from MH754 to MH3544.
3. Identify up to three options for improving hydraulics downstream of the lift station and reduce the risk of sanitary sewer overflows. Evaluate these options for feasibility, level of improvement, cost effectiveness, and potential negative impacts.
4. Observe and evaluate the lift station operation in the field during the following conditions:
 - a. Normal dry-weather flow
 - b. Wet-weather flow

Task 2 – Smoke Testing

1. Prepare a draft resident smoke testing notification letter for the Village to distribute to the affected residents and business owners. These letters will include RJN contact information for use during smoke testing.
2. Prepare smoke testing door hangers to be hung by RJN staff at each address less than one week prior to smoke testing. The door hangers will also include RJN contact information.
3. Notify the local fire and police department of planned smoke testing activities, including daily updates.
4. Provide equipment and smoke canisters necessary for smoke testing.
5. During smoke testing, erect smoke testing signs near the testing area and answer resident/owner field and phone questions.
6. Use handheld electronic data collection equipment for collecting smoke testing data.
7. Smoke test approximately 30,000 linear feet of sanitary sewers. The testing area includes Village-owned sanitary sewers tributary to the Plum Tree Lane Lift Station as well as downstream sewers to MH3544.
8. GPS locate (sub-meter, mapping grade) each identified defect and take at least one digital photograph of each defect.

Task 3 – Manhole Inspections

1. Use handheld electronic data collection equipment for collecting manhole inspection data.
2. Complete surface manhole inspections for approximately 140 manholes (contingent on accessibility). Identify and document manhole defects. Take at least one manhole “area” digital picture and at least one “top down” digital picture at each manhole. These inspections will document the following:
 - Direct evidence of I/I
 - Open pickholes in lid
 - Frame and adjusting ring condition, including needed adjustments and chimney seals
 - Corbel condition and defects
 - Wall condition and defects
 - Trough condition and defects
 - Pipe seal condition and defects.
3. Collect the following additional data when it can be determined from the surface:
 - Mapping grade GPS locate of manhole
 - Manhole diameter
 - Manhole material
 - Pipe invert measurements
 - Connecting sewer diameter(s)

- Connecting sewer material(s)
- Connecting sewer flow direction.

Task 4 – Data Analysis

1. Complete analysis of data collected, including:
 - Compile field data and develop complete list of defects
 - Assign an estimated flow to each defect
 - Determine a recommended rehabilitation method, rehabilitation priority, and estimate an associated cost for each defect.

Task 5 – Draft Report

1. Prepare a draft report that includes the following:
 - Summary of work completed
 - GIS map of identified defects
 - List of defects prioritized by cost effectiveness for rehabilitation
 - Recommendations for rehabilitation, including potential procurement methods and recommended contractors/vendors for various type of rehabilitation
 - Recommendations for improvements to the hydraulics downstream of lift station
2. Submit up to three color copies and PDF of draft report.

Task 6 – Final Report and Electronic Deliverables

1. Address Village comments on draft report.
2. Submit up to five color copies of final report.
3. Provide one digital copy of final report files, data, GIS geodatabase, and photographs.

Task 7 – Project Management and Meetings

1. Provide project management services for the duration of the project.
2. Attend up to three meetings with the Village.
3. If necessary, attend one meeting with fire department and other agencies impacted by the smoke testing.

**ATTACHMENT B:
SCHEDULE OF SERVICES**

Smoke testing is weather dependent. If a notice to proceed is received by October 15, 2012, the smoke testing will be completed this fall unless conditions are unseasonably wet. All fieldwork will then be completed by November 30, 2012. The draft report will be submitted by January 25, 2013. The final report will be submitted within three weeks of receipt of Village comments on the draft report.

**ATTACHMENT C:
ENGINEERING COSTS**

The proposed Scope of Services will be invoiced on a time and materials basis using the following fee schedule with a not-to-exceed maximum billing of \$44,610.

Summary of Engineering Services Fees											
Labor Expenses											
		\$ 170	\$ 160	\$ 100	\$ 85	\$ 65	\$ 55				
Task No.	Task Description	PM	QC	PE	GIS/EI	FT	CL	Total Hours	Total Cost		
1001	Lift Station Evaluation	6	1	16	16	8		47	\$ 4,660		
1002	Smoke Testing (?30,000 lf)	2		6	48	164	1	221	\$ 15,735		
1003	Surface Manhole Inspections (?140 MHs)	1		4	4	120	1	130	\$ 8,765		
1004	Data Processing and Analysis	2		8	12	2	1	25	\$ 2,345		
1005	Draft Report	4	3	12	40		2	61	\$ 5,870		
1006	Final Report and Electronic Deliverables	2	1	8	12		2	25	\$ 2,430		
1007	Meetings and Project Management	12		6			3	21	\$ 2,805		
Labor Subtotal:		29	5	60	132	294	10	530	\$ 42,610		
Direct Expenses											
9901 Mileage, Printing and Other Expenses										\$ 500	
9902 Smoke Canisters										\$ 1,500	
								Direct Expenses Subtotal:	\$ 2,000		
								TOTAL:	\$ 44,610		

Legend	
PM	Project Manager
QC	Quality Control Manager
PE	Project Engineer
GIS/EI	GIS Technician / Engineering Intern/Technician
FT	Field Technician
CL	Clerical