

AGENDA
COMMUNITY REDEVELOPMENT AUTHORITY
CITY OF YUTAN, NEBRASKA

August 10, 2023, 4:30 p.m.

City Hall – 112 Vine St.

***** Statement informing the public that the poster regarding the Open Meetings Act is posted on the west wall of the meeting room. *****

4:30 Open Meeting

- a) Approval of June 8, 2023, minutes

- b) Approval of Claims
 - a. Cline Williams - Sudbeck - \$2,906.50
 - b. Cline Williams - Mason Creek - \$8,830.45
 - c. Clean-up Containers - \$280.00
 - d. Valley Corp - \$919.10
 - e. Cody's Custom Concrete - \$66,503.00
 - f. Saunders County - \$16.00

- c) Budget Review

- d) JEO Review of Sudbeck Cost Certifications - Discussion & Possible Action

- e) Site Amenities for Pickleball Court - Discussion & Possible Action

- f) Hillside Ave Ditch Repair - Discussion & Possible Action

- g) Itan ROW Mowing - Discussion & Possible Action

General Discussion

Meeting Adjourned

COMMUNITY REDEVELOPMENT AUTHORITY
YUTAN, NEBRASKA
June 8, 2023, 2:30 p.m.

EXTRACT FROM MINUTES OF A REGULAR MEETING OF THE COMMUNITY REDEVELOPMENT AUTHORITY OF THE CITY OF YUTAN, IN THE COUNTY OF SAUNDERS, STATE OF NEBRASKA HELD AT THE CITY OFFICE IN SAID CITY ON THE 8TH DAY OF JUNE 2023, AT 2:30 p.m.

Notice of the meeting was given in advance thereof by posting notice, a designated Method for giving notice, as shown by the Certificate of Posting Notice attached to these minutes. Notice of this meeting was given to all members of the Community Redevelopment Authority and a copy of their acknowledgment of receipt of notice and the agenda is attached to these minutes. All proceedings hereafter shown were taken while the convened meeting was open to the attendance of the public.

Meeting was called to order at 2:30 pm by Chairman Long, Board Members Long, Egr, and Rath were present. Chairman Long informed all individuals present of the location of the poster regarding the Open Meetings Act.

- a) A motion to approve minutes from December 8, 2022, meeting was made by Egr and seconded by Rath. YEA: Long, Rath, Egr. No: None, Motion carried.
- b) A motion to approve the follow claims (Cline Williams - 3123.50, Cline Williams - 29.00, Splash Pad Loan 12,022.00) was made by Egr and seconded by Rath. YEA: Long, Rath, Egr. No: None, Motion carried.
- c) Resolution 2023-1 Redevelopment Plan Amendment & Resolution 2023-2 Redevelopment Agreement - CRA Attorney Andrew Willis was present to discuss the application from Thompson and Sons. He explained the process for approving the application and the pros and cons of the application. Egr asked how this would impact the school, Willis noted that typically apartments don't bring in a lot of students, and that with only 16 two bedroom units the impact on the schools should be minimal. Long stressed that this project is a win-win for the community, more housing and the excess TIF can be used to help fund the improvements on 1st and Poplar.
 - a. A motion to approve Resolution 2023-1 was made by Egr and seconded by Long. YEA: Long, Rath, Egr. No: None, Motion carried.
 - b. A motion to approve Resolution 2023-2 pending council approval was made by Egr and seconded by Long. YEA: Long, Rath, Egr. No: None, Motion carried.
- d) Willis presented an update on the cost certification process with Sudbeck homes. Willis noted that while progress has been made the total certified amount was only at \$672643, out of a projected 1.8 Million. Willis shared a letter from Sudbeck's engineer stating that the estimated costs for the remaining work is valid. Rath stated that he is uncomfortable paying without invoices. TIF Administrator Heaton noted that as of date we have only paid out 398000, and are currently two payments behind, and that making these payments would still keep us under what is certified. Egr

noted to the group that this has been an ongoing process over several years and city administrators. Rath felt that this was entirely on Sudbeck to provide the proper documentation, regardless of who was working for the city at the time. Willis pointed out to the group that Sudbeck has been working on finding invoices for up to 2 years, and that nothing is going to be perfect. Heaton discussed with the group about having JEO do their own investigation into the estimates and see if they feel they are valid.

a. A motion to approve the December 2022 payment of 95901.36 and the July 2023 of 95901.36, payment to be sent out on July 15th was made by Egr and Seconded by Long. YEA: Long, Rath, Egr. No: None, Motion carried.

e) Funding of pickleball court - Mayor Kelly was present to discuss the plans and estimates for the pickleball court. Kelly explained the layout and the direction the project was heading. Heaton noted that they are going to approve bids for the park at the next council meeting, and that so far none had be submitted through the posting. Kelly is reaching out directly to some contractors who had expressed an interest in the project. Heaton also let the group know that the tennis courts are in the process of being removed. Rath expressed an interest in funding this project fully to do it right the first time. Long noted to the group that funding this through TIF would open up city funds for other projects that the CRA cannot fund. Heaton also discussed how this could be a good display of TIF when so much of the conversation around TIF in Yutan is negative.

a. A motion was made to authorize up to 175,000 of TIF funds to the project by Rath and Seconded by Egr. YEA: Long, Rath, Egr. No: None, Motion carried.

f) General Discussion - None

A motion to adjourn the meeting was made by Long and seconded by Rath. YEA: All. No: None, Motion carried. Meeting adjourned at 3:45p.m.

J.C. Long, Chairman

Vacant, Secretary//Treasurer

CLINE WILLIAMS
WRIGHT JOHNSON & OLDFATHER, L.L.P.

233 SOUTH 13TH STREET
1900 U.S. BANK BUILDING
LINCOLN, NEBRASKA 68508
402.474.6900
WWW.CLINIEWILLIAMS.COM

August 7, 2023

City of Yutan
Brandy Gahan
P.O. Box 215
Yutan, NE 68073

Invoice No. 368129
Tax ID: 47-0382823

INVOICE SUMMARY

Client No.: 19388 Yutan, City of
Matter No.: 005 Mason Creek Apartments II Redevel Project

For Professional Services Rendered Through: July 31, 2023

RE: Mason Creek Apartments II Redevelopment Project

Legal Services	\$ 123.00
Expenses and Advances	<u>\$.00</u>
TOTAL THIS INVOICE	\$ 123.00
Previous Balance	<u>\$ 8,707.45</u>
TOTAL BALANCE DUE	<u>\$ 8,830.45</u>

CLINE WILLIAMS

Invoice No. 368129

August 7, 2023

LEGAL SERVICES

Date	Tkr	Services	Hours	Amount
7/05/23	ARW	Review correspondence from CJ Heaton re: Redevelopment Agreement and next steps. Correspondence to CJ Heaton re: same	.30	123.00
TOTAL LEGAL SERVICES				\$ 123.00

SUMMARY OF LEGAL SERVICES

Init	Name	Hours	Rate	Total
ARW	Andrew R. Willis	.30	410.00	123.00
	Total	.30		\$ 123.00

TOTAL THIS INVOICE **\$ 123.00**

OUTSTANDING INVOICES

Invoice Number	Date	Invoice Total	Payments Received	Ending Balance
361967	5/09/23	574.00	.00	574.00
364021	6/09/23	4,753.50	.00	4,753.50
366142	7/11/23	3,379.95	.00	3,379.95

Previous Balance \$ 8,707.45

TOTAL BALANCE DUE **\$ 8,830.45**

AGED ACCOUNTS RECEIVABLE

Current - 30	31 - 60	61 - 90	91 - 120	Over 120	Total
\$ 3,379.95	\$ 4,753.50	\$ 574.00	\$.00	\$.00	\$ 8,707.45

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August 7, 2023

City of Yutan
Brandy Gahan
P.O. Box 215
Yutan, NE 68073

Invoice No. 368129
Tax ID: 47-0382823

REMITTANCE COPY

Client No.: 19388 **Yutan, City of**
Matter No.: 005 **Mason Creek Apartments II Redevel Project**

RE: Mason Creek Apartments II Redevelopment Project

BALANCE DUE THIS INVOICE	\$ 123.00
Previous Balance	<u>\$ 8,707.45</u>
TOTAL BALANCE DUE	<u>\$ 8,830.45</u>
PAYMENT ENCLOSED	\$ _____

All checks should be made payable to:
(Please return this advice with payment.)

CLINE WILLIAMS
233 South 13th Street
1900 US Bank Building
Lincoln, NE 68508

Net payable within 10 days of receipt

CLINE WILLIAMS
WRIGHT JOHNSON & OLDFATHER, L.L.P.

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August 7, 2023

City of Yutan
Brandy Gahan
P.O. Box 215
Yutan, NE 68073

Invoice No. 368128
Tax ID: 47-0382823

INVOICE SUMMARY

Client No.: 19388 Yutan, City of
Matter No.: 002 Melvin Sudbeck Homes, Inc. Project

For Professional Services Rendered Through: July 31, 2023

RE: Melvin Sudbeck Homes, Inc. Project

Legal Services	\$ 41.00
Expenses and Advances	<u>\$.00</u>
TOTAL THIS INVOICE	\$ 41.00
Previous Balance	<u>\$ 2,865.50</u>
TOTAL BALANCE DUE	<u>\$ 2,906.50</u>

CLINE WILLIAMS

Invoice No. 368128

August 7, 2023

LEGAL SERVICES

Date	Tkr	Services	Hours	Amount
7/11/23	ARW	Correspondence to CJ Heaton re: TIF Note	.10	41.00

TOTAL LEGAL SERVICES \$ 41.00

SUMMARY OF LEGAL SERVICES

Init	Name	Hours
ARW	Andrew R. Willis	.10
	Total	.10

TOTAL THIS INVOICE \$ 41.00

OUTSTANDING INVOICES

Invoice Number	Date	Invoice Total	Payments Received	Ending Balance
361966	5/09/23	1,645.50	.00	1,645.50
364020	6/09/23	605.00	.00	605.00
366141	7/11/23	615.00	.00	615.00

Previous Balance \$ 2,865.50

TOTAL BALANCE DUE \$ 2,906.50

AGED ACCOUNTS RECEIVABLE

Current - 30	31 - 60	61 - 90	91 - 120	Over 120	Total
\$ 615.00	\$ 605.00	\$ 1,645.50	\$.00	\$.00	\$ 2,865.50

CLINE WILLIAMS
WRIGHT JOHNSON & OLDFATHER, L.L.P.

233 SOUTH 13TH STREET
1900 U.S. BANK BUILDING
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402.474.6900
WWW.CLINELWILLIAMS.COM

August 7, 2023

City of Yutan
Brandy Gahan
P.O. Box 215
Yutan, NE 68073

Invoice No. 368128
Tax ID: 47-0382823

REMITTANCE COPY

Client No.: 19388 **Yutan, City of**
Matter No.: 002 **Melvin Sudbeck Homes, Inc. Project**

RE: Melvin Sudbeck Homes, Inc. Project

BALANCE DUE THIS INVOICE	\$ 41.00
Previous Balance	<u>\$ 2,865.50</u>
TOTAL BALANCE DUE	<u>\$ 2,906.50</u>
PAYMENT ENCLOSED	\$ _____

All checks should be made payable to:
(Please return this advice with payment.)

CLINE WILLIAMS
233 South 13th Street
1900 US Bank Building
Lincoln, NE 68508

Net payable within 10 days of receipt



Valley Corp
 PO Box 589
 Valley NE 68064
 402 359-2578

STATEMENT

Statement Date: 07/31/2023

132490

TO: City of Yutan
 PO Box 215
 Yutan NE 68073

Invoice#	Inv Date	Due Date	Description	Job/Work Order	Amount	Paid/Credit	Balance
27176	07/06/23	08/05/23	SMS Tickets 07/ 27176		142.00		142.00
27195	07/11/23	08/10/23	SMS Tickets 07/ 27195		261.20		261.20
27206	07/12/23	08/11/23	SMS Tickets 07/ 27206		42.80		42.80
27241	07/19/23	08/18/23	SMS Tickets 07/ 27241		62.20		62.20
27252	07/20/23	08/19/23	SMS Tickets 07/ 27252		181.80		181.80
27263	07/21/23	08/20/23	SMS Tickets 07/ 27263		229.10		229.10
Totals:					919.10		919.10

Current	1-30 Days	31-60 Days	61-90 Days	91 + Days	Retention
919.10	0.00	0.00	0.00	0.00	0.00

Please Pay This Amount

919.10

Thank you for your prompt payment!

CleanUp Containers
660 County Road M
Yutan, NE 68073 US
tristantrost@zoho.com

Invoice

BILL TO
City of Yutan
Yutan,
112 Vine St, NE 68073

INVOICE #	DATE	TOTAL DUE	DUE DATE	TERMS	ENCLOSED
2834	06/15/2023	\$280.00	07/01/2023	Due on receipt	

SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
12 Yard	Box #: Job Location: Tennis Court Date of Service: 6/15/23 Service:	1	200.00	200.00
Overweight	Overweight Charge per ton	2	40.00	80.00

BALANCE DUE

\$280.00



INVOICE TO:
 City Of Yutan (Mike Kelly)
kk21030@windstream.net

INV231

Date: Aug 9, 2023

#	Item	Unit Price	Qty	Total
01	Basket Ball Court (52'x96') 4" thick, crushed rock base, wire mesh reinforcement, broom finish. Saw cut relief joints every 10'.	\$22,414.00	1	\$22,414.00
02	10mil Vapor Barrier	\$2,811.00	1	\$2,811.00

Subtotal	\$25,225.00
Grand Total	\$25,225.00
Paid	\$0.00
Due	\$25,225.00

Thank you!



INVOICE TO:
 City Of Yutan (Mike Kelly)
kk21030@windstream.net

INV232

Date: Aug 9, 2023

#	Item	Unit Price	Qty	Discount	Total
01	Cornhole Court (10'x32') 4" thick, crushed rock base, 10mil vapor barrier, wire mesh reinforcement, broom finish. Saw cut relief joints every 10'.	\$3,028.00	2	\$3,028.00 (50%)	\$3,028.00
Subtotal					\$3,028.00
Grand Total					\$3,028.00
Paid					\$0.00
Due					\$3,028.00

Thank you!



INVOICE TO:
 City Of Yutan (Mike Kelly)
kk21030@windstream.net

INV233

Date: Aug 9, 2023

#	Item	Unit Price	Qty	Total
01	Pickle Ball Court 4" thick, crushed rock base, 10mil vapor barrier, wire mesh reinforcement, broom finish. 125'x65'. Sawed relief joints every 10'	\$38,250.00	1	\$38,250.00
Subtotal				\$38,250.00
Grand Total				\$38,250.00
Paid				\$0.00
Due				\$38,250.00

Thank you!

Rhonda J. Andresen
ASSESSOR/REGISTER OF DEEDS
SAUNDERS COUNTY
WAHOO, NE 68066

DATE 7-13-23

CASH RECEIPT

Sixteen DOLLARS \$ 16.⁰⁰

MEMO _____ BY H + JS



Expense Item	Expense Amount	Thompson	Itan	Sudbeck 1	Sudbeck 2	Sudbeck 3	Mason Creek 2
Loan	\$4,618.80	\$4,618.80					
Splash Pad	\$24,084.00		\$24,084.00				
Paving Loan	\$106,405.48			\$57,000.00	\$48,000.00	\$1,405.48	
Sudbeck	\$191,802.72			\$73,464.84	\$64,283.56	\$54,054.32	
Legal	\$2,500.00			\$1,250.00	\$1,250.00	\$0.00	
Totals	\$329,411.00	\$4,618.80	\$24,084.00	\$131,714.84	\$113,533.56	\$55,459.80	

Income Item	Income Amount	Thompson	Itan	Sudbeck 1	Sudbeck 2	Sudbeck 3	Mason Creek 2
TIF Tax (Saunders County)	\$377,665.14	\$10,082.34	\$58,968.47	\$135,431.08	\$117,577.23	\$55,606.02	
Misc.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Totals	\$377,665.14	\$10,082.34	\$58,968.47	\$135,431.08	\$117,577.23	\$55,606.02	

FY 2023-24	\$48,254.14	\$5,463.54	\$34,884.47	\$3,716.24	\$4,043.67	\$146.22	
Current Balance	382,353.14	\$891.18	193,227.10	\$73,905.95	\$74,744.99	\$39,583.92	
Pickleball	175000		100000	25000	25000	25000	
Projections	\$255,607.28	\$6,354.72	\$128,111.57	\$52,622.19	\$53,788.66	\$14,730.14	\$0.00



**AGREEMENT
BETWEEN OWNER AND ENGINEER
FOR
PROFESSIONAL SERVICES**

THIS IS AN AGREEMENT effective as of date signed by Owner between (“Owner”) and JEO Consulting Group, Inc. (“Engineer”).

Owner’s project, of which Engineer’s services under this Agreement are a part, is generally identified as follows:

Yutan Itan Parkview Subdivision Cost Certification Review (“Project”).

JEO Project Number: 170720.06

Owner and Engineer further agree as follows:

ARTICLE 1 – SERVICES OF ENGINEER

3.01 Scope

3. Engineer shall provide, or cause to be provided, the services set forth herein and in Exhibit A.

ARTICLE 2 – OWNER’S RESPONSIBILITIES

2.01 Owner Responsibilities

- A. Owner responsibilities are outlined in Section 3 of Exhibit B.

ARTICLE 3 – COMPENSATION

3.01 Compensation

- A. Owner shall pay Engineer as set forth in Exhibit A and per the terms in Exhibit B.

- B. The fee for the Project is:

Cost Certification Review (Hourly): \$ 7,570.00

Total Estimated Fee: \$ 7,570.00

- C. The Standard Hourly Rates Schedule shall be adjusted annually (as of approximately January 1st) to reflect equitable changes in the compensation payable to Engineer.

D. Engineer's estimate of the hourly amounts that will become payable are only estimates for planning purposes, are not binding on the parties, and are not the minimum or maximum amounts payable to Engineer under the Agreement. When nearing estimated compensation amounts stated herein and it subsequently becomes apparent to Engineer that the total compensation amount estimated will be exceeded, Engineer shall give Owner written notice thereof. Should the Owner determine, the estimated amount should not be exceeded, Owner shall notify Engineer and Engineer shall reduce the remaining services to be rendered by Engineer, so that total compensation for such services will not exceed said estimated amount when such services are completed. If Engineer exceeds the total estimated amount before Owner notifies the Engineer, the Engineer shall be paid for all services rendered up to being notified.

ARTICLE 4 - EXHIBITS AND SPECIAL PROVISIONS

4.01 Exhibits

Exhibit A – Scope of Services
Exhibit B – General Conditions

4.02 Total Agreement

A. This Agreement (consisting of pages 1 to 2 inclusive, together with the Exhibits identified as included above) constitutes the entire agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

Owner: Yutan Community Redevelopment Authority Engineer: JEO Consulting Group, Inc.

By: JC Long By: Zach Schulz

Title: Chairman Title: Senior Project Manager
7.19.2023

Date Signed: Date Signed:

Address for giving notices: Address for giving notices: City of Yutan CRA JEO Consulting Group, Inc. 112 Vine Street 11213 Davenport Street, Suite 200 Yutan, Nebraska 68073 Omaha, Nebraska 68154

Project Description:

Review of the cost certification documentation submitted to the Yutan Community Redevelopment Authority (CRA) for the Itan Parkview Subdivision. The cost certification submitted to the CRA consists of major infrastructure construction costs for sanitary sewer, paving, water, grading, storm sewer, and erosion control. The infrastructure was constructed in three phases from 2014 to 2018. The cost certification review will be based off record drawing plan quantities for each phase. The review will evaluate reasonableness of costs based on readily available industry bid data from the year in which the infrastructure was constructed.

Services of Engineer:

Project Management (All Phases):

1. Provide project management oversight over all facets and phases of the project. Project management shall include the following services:
 - a. Coordination of design disciplines including facilitating communication and transfer of documents between disciplines to minimize errors and ensure a timely project delivery.
 - b. Provide timely and coordinated communication to and from the Owner for requests for information, providing progress updates, scheduling meetings, and receiving and providing feedback.
 - c. Provide oversight to ensure scope of services and schedule are met.
 - d. Review billed hours by project team and prepare invoice statements for Owner.

Cost Certification Review:

1. Meet with designated City and CRA representative(s) to review the project approach and available information (1 meeting).
 - a. Introduction of key project personnel from JEO, City, and CRA.
 - b. Review the purpose and objectives of the cost review and data needs.
 - c. Review the existing cost certification documentation and correspondence records.
 - d. Review project schedule and milestones.
2. Review the existing subdivision infrastructure plans and complete a quantity takeoff for major infrastructure components. The quantity takeoff is to be completed using existing records that are readily available from the City, CRA, and/or Developer. The review will not incorporate changes to the plan quantities that occurred in the field.
3. Review readily available industry cost data for the major infrastructure components outlined in the quantity takeoff. As necessary, the cost data will be normalized to the year in which the infrastructure was constructed using construction cost indices.

4. Coordinate the purchase of third-party private bid data, as approved by the City and CRA.

- City/CRA to pay third party data provider directly or as a reimbursable expense. 5. Prepare a summary comparing the average industry cost data to the cost certification data submitted by the Developer and evaluate reasonableness of costs based on a deviation percentage agreed upon by the City/CRA. Costs deviating from the agreed upon percentage for the total phase cost will be deemed unreasonable for the purposes of this evaluation. 6. Prepare a brief memorandum that summarizes the available data and results of the evaluation.
7. Conduct an internal QA/QC review of the draft memorandum, prior to review by the City and CRA.
 8. Meet with designated City and CRA representative(s) to review the draft memorandum (1 meeting).
 9. Revise the memorandum, as necessary following the final review, and submit the final memorandum to the City and CRA.

Meetings included with this scope:

1. Project kickoff meeting (1 meeting)
2. Draft cost certification review meeting (1 meeting)

Exclusions:

1. Any services not expressly stated in the previous scope of services.
2. Any engineering design, bidding, or construction phase services.
3. Field investigations to determine infrastructure quantities.
4. Review of any engineering fees, permitting fees, legal fees, or other non-construction project costs.
5. Preparation of legal documentation or any related preparation for any potential or actual legal proceedings.
6. Expert witness or legal support for the Owner should the project lead to litigation or any form of legal proceedings.
7. Meetings not outlined above.



1. SCOPE OF SERVICES: JEO Consulting Group, Inc. (JEO) shall perform the services described in Exhibit A. JEO shall invoice the client for these services at the fee stated in Exhibit A.

2. ADDITIONAL SERVICES: JEO can perform work beyond the scope of services, as additional services, for a negotiated fee or at fee schedule rates.

3. CLIENT RESPONSIBILITIES: The client shall provide all criteria and full information as to the client's requirements for the project; designate and identify in writing a person to act with authority on the client's behalf in respect to all aspects of the project; examine and respond promptly to JEO's submissions; and give prompt written notice to JEO whenever the client observes or otherwise becomes aware of any defect in work.

Unless otherwise agreed, the client shall furnish JEO with right of-access to the site in order to conduct the scope of services. Unless otherwise agreed, the client shall also secure all necessary permits, approvals, licenses, consents, and property descriptions necessary to the performance of the services hereunder. While JEO shall take reasonable precautions to minimize damage to the property, it is understood by the client that in the normal course of work some damage may occur, the restoration of which is not a part of this agreement.

4. TIMES FOR RENDERING SERVICES: JEO's services and compensation under this agreement have been agreed to in anticipation of the orderly and continuous progress of the project through completion. Unless specific periods of time or specific dates for providing services are specified in the scope of services, JEO's obligation to render services hereunder shall be for a period which may reasonably be required for the completion of said services.

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 periods of time or date are changed through no fault of JEO, the rates and amounts of compensation provided for herein shall be subject to equitable adjustment. If the client has requested changes in the scope, extent, or character of the project, the time of performance of JEO's services shall be adjusted equitably.

5. INVOICES: JEO shall submit invoices to the client monthly for services provided to date and a final bill upon completion of services. Invoices are due and payable within 30 days of receipt. Invoices are considered past due after 30 days. Client agrees to pay a finance charge on past due invoices at the rate of 1.0% per month, or the maximum rate of interest permitted by law.

If the client fails to make any payment due to JEO for services and expenses within 30 days after receipt of JEO's statement, JEO may, after giving 7 days' written notice to the client, suspend services to the client under this agreement until JEO has been paid in full all amounts due for services, expenses, and charges.

6. STANDARD OF CARE: The standard of care for all services performed or furnished by JEO under the agreement shall be the care and skill ordinarily used by members of JEO's profession practicing under similar circumstances at the same time and in the same locality. JEO makes no warranties, express or implied, under this agreement or otherwise, in connection with JEO's services.

JEO shall be responsible for the technical accuracy of its services and documents resulting therefrom, and the client shall not be responsible for discovering deficiencies therein. JEO shall correct such deficiencies without additional compensation except to the extent such action is directly attributable to deficiencies in client furnished information.

7. REUSE OF DOCUMENTS: Reuse of any materials (including in part plans, specifications, drawings, reports, designs, computations, computer programs, data, estimates, surveys, other work items, etc.) by the client on a future extension of this project, or any other project without JEO's written authorization shall be at the client's risk and the client agrees to indemnify and hold harmless JEO from all claims, damages, and expenses including attorney's fees arising out of such unauthorized use.

8. ELECTRONIC FILES: Copies of Documents that may be relied upon by the client are limited to the printed copies (also known as hard copies) that are signed or sealed by JEO. Files in electronic media format of text, data, graphics, or of other types that are furnished by JEO to the client are only for convenience of the client. Any conclusion or information obtained or derived from such electronic files shall be at the user's sole risk.

a. Because data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the party receiving electronic files agrees that it shall perform acceptance tests or procedures within 30 days, after which the receiving party shall be deemed to have accepted the data thus transferred. Any errors detected within the 30 day acceptance period shall be corrected by the party delivering the electronic files. JEO shall not be responsible to maintain documents stored in electronic media format after acceptance by the client.

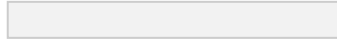
b. When transferring documents in electronic media format, JEO makes no representations as to long term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by JEO at the beginning of the project.

c. The client may make and retain copies of documents for information and reference in connection with use on the project by the client.

d. If there is a discrepancy between the electronic files and the hard copies, the hard copies govern.

e. Any verification or adaptation of the documents by JEO for extensions of the project or for any other project shall entitle JEO to further compensation at rates to be agreed upon by the client and JEO.

9. SUBCONSULTANTS: JEO may employ consultants as JEO deems necessary to assist in the performance of the services.



personnel and equipment from the site, to complete tasks whose value would otherwise be lost, to prepare notes as to the status of completed and uncompleted tasks, and to assemble project materials in orderly files.

JEO shall not be required to employ any consultant unacceptable to JEO.

10. INDEMNIFICATION: To the fullest extent permitted by law, JEO and the client shall indemnify and hold each other harmless and their respective officers, directors, partners, employees, and consultants from and against any and all claims, losses, damages, and expenses (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) to the extent such claims, losses, damages, or expenses are caused by the indemnifying parties' negligent acts, errors, or omissions. In the event claims, losses, damages, or expenses are caused by the joint or concurrent negligence of JEO and the client, they shall be borne by each party in proportion to its negligence.

11. INSURANCE: JEO shall procure and maintain the following insurance during the performance of services under this agreement:

- a. Workers' Compensation: Statutory
- b. Employer's Liability
 - i. Each Accident: \$500,000
 - ii. Disease, Policy Limit: \$500,000
 - iii. Disease, Each Employee: \$500,000
- c. General Liability
 - i. Each Occurrence (Bodily Injury and Property Damage): \$1,000,000
 - ii. General Aggregate: \$2,000,000
- d. Auto Liability
 - i. Combined Single: \$1,000,000
- e. Excess or Umbrella Liability
 - i. Each Occurrence: \$1,000,000
 - ii. General Aggregate: \$1,000,000
- f. Professional Liability:
 - i. Each Occurrence: \$1,000,000
 - ii. General Aggregate: \$2,000,000
- g. All policies of property insurance shall contain provisions to the effect that JEO and JEO's consultants' interests are covered and that in the event of payment of any loss or damage the insurers shall have no rights of recovery against any of the insureds or additional insureds thereunder.
- h. The client shall require the contractor to purchase and maintain general liability and other insurance as specified in the Contract Documents and to cause JEO and JEO's consultants to be listed as additional insured with respect to such liability and other insurance purchased and maintained by the contractor for the project.
- i. The client shall reimburse JEO for any additional limits or coverages that the client requires for the project.

12. TERMINATION: This agreement may be terminated by either party upon 7 days prior written notice. In the event of termination, JEO shall be compensated by client for all services performed up to and including the termination date. The effective date of termination may be set up to thirty (30) days later than otherwise provided to allow JEO to demobilize



13. GOVERNING LAW: This agreement is to be governed by the law of the state in which the project is located.

14. SUCCESSORS, ASSIGNS, AND BENEFICIARIES: The client and JEO each is hereby bound and the partners,

successors, executors, administrators and legal representatives of the client and JEO are hereby bound to the other party to this agreement and to the partners, successors, executors, administrators and legal representatives (and said assigns) of such other party, with respect to all covenants, agreements and obligations of this agreement. a. Neither the client nor JEO may assign, sublet, or transfer any rights under or interest (including, but without limitation, monies that are due or may become due) in this agreement without the written consent of the other, except to the extent that any assignment, subletting, or transfer is mandated or restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment shall release or discharge the assignor from any duty or responsibility under this agreement.

b. Unless expressly provided otherwise in this agreement: Nothing in this agreement shall be construed to create, impose, or give rise to any duty owed by the client or JEO to any contractor, contractor's subcontractor, supplier, other individual or entity, or to any surety for or employee of any of them.

c. All duties and responsibilities undertaken pursuant to this agreement shall be for the sole and exclusive benefit of the client and JEO and not for the benefit of any other party.

15. PRECEDENCE: These standards, terms, and conditions shall take precedence over any inconsistent or contradictory language contained in any proposal, contract, purchase order, requisition, notice to proceed, or like document regarding JEO's services.

16. SEVERABILITY: Any provision or part of the agreement held to be void or unenforceable shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon the client and JEO, who agree that the agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

17. E-VERIFY: JEO shall register with and use the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee pursuant to the Immigration Reform and Control Act of 1986, to determine the work eligibility status of new employees physically performing services within the state where the work shall be performed. Engineer shall require the same of each consultant.