

AGENDA
CITY OF CENTRALIA, MISSOURI
Board of Aldermen
Special Meeting
Monday, May 7, 2018
7:00 P.M.
City Hall Council Chambers

- I. ROLL CALL
- II. PLEDGE OF ALLEGIANCE
- III. COMMENTS FROM CITIZENS
- IV. ACTION AGENDA
 - A. Legal –
 - 1. Repealing and replacing Sections 26-118 of the City of Centralia Code to set service charges for water provided by the City of Centralia – Ordinance.
Bill No. _____ Ordinance No. _____
 - 2. Repealing and replacing Section 26-125 and Subsection 26-134 of the City of Centralia Code to increase charges for users of the sewerage system provided by the City of Centralia – Ordinance.
Bill No. _____ Ordinance No. _____
 - 3. Repealing and replacing Subsections A and B OF Section 26-115 of the Centralia City Code to Set Service Charges for Electricity Provided by the City of Centralia, Missouri – Ordinance.
Bill No. _____ Ordinance No. _____
 - B. Purchasing
 - 1. Authorizing the Mayor to sign Task Orders for engineering work in association with the Water Plant Upgrades
 - 2. Accepting the bid for a refurbished 2017 Ford Police Interceptor vehicle with equipment.
- V. NEW BUSINESS
 - A. Declaring surplus property
 - 1. Police car 828
 - 2. Street department Gilchrist paver
 - 3. Office chairs – City Hall
- VI. AS MAY ARISE
- VII. ADJOURN

AGENDA
CITY OF CENTRALIA, MISSOURI
Board of Aldermen

Public Works and Public Utilities Committee

Monday, May 7, 2018
Immediately Following Board of Aldermen Special Meeting (~7:30)
City Hall Council Chambers

- I. ATTENDANCE
- II. PLEDGE OF ALLEGIANCE
- III. COMMENTS FROM CITIZENS

- IV. PUBLIC WORKS
 - A. Activity Report
 - B. Streets
 - 1. Handicap Parking at the Middle School
 - 2. Report requested on the Jefferson Street Sidewalk and Mayes Meadows projects
 - C. Sanitation
 - 1. Spring Cleanup Report
 - D. Storm water
 - 1. Mayes Meadows
 - E. Other
 - 1. Design Standards Task Order with Engineering Surveys and Services

- V. WATER AND SEWER DEPARTMENT
 - A. Activity Report
 - B. Water
 - C. Sewer
 - D. Other

- VI. ELECTRIC DEPARTMENT
 - A. Activity Report
 - B. Generation/Purchase
 - C. Distribution
 - D. Other
 - 1. Financing the Energy Savings project

- VII. OTHER
 - A. Closing 100 block of South Rollins St 1:00 p.m. to 4:00 p.m. on Wednesday, May 23rd.
 - B. Closed Meeting*
 - 1. Land Acquisition
 - 2. Hiring a Interim City Administrator

*During the meeting, the Board of Aldermen may elect to go into closed session and hold a closed vote, and the purpose of such closed session and closed vote shall be:

- 1. as provided for under Section 610.021 (2) Leasing, purchase or sale of real estate by a public governmental body where public knowledge of the transaction might adversely affect the legal consideration therefore; and
- 2. as provided for under Section 610.021(3) of the Revised Statutes of Missouri for hiring, firing, disciplining or promoting of particular employees by a public governmental body

From: Matt Harline, City Administrator

To: Board of Aldermen

Date: May 4, 2018

Re: Agenda items as below



Item IV-D-1 Electric Rates

Last year we increased rates for the base meter fee and the electric consumption by 5%. The primary reason was to offset the cost of the outage on July, 7 2016. During the past year we made back more than that amount, but we made NO major capital investments. For that reason I am recommending that we reduce rates as we said we might, if possible, but only a 2.5% reduction in the energy usage.

I am recommending we set the rates at \$9.35 for the base meter rate and \$0.09925 (9.925 cents)/kwh. If we reduce rates by this amount we will reduce revenues by approximately \$90,000. If the Board would like to use these funds to enhance wages or to offset the upfront costs for the energy efficiency project, we could defer the reduction.

Item VI-D Water and Sewer Utility Rates.

Waste: Based on our report from Bartlett & West the City has approximately \$1.1 million of improvements of Rank 1 importance in the Water Treatment Plant equipment alone. This is more than two years' worth of annual revenue. The City, regardless of the outcome of the election on Tuesday, April 3rd must begin to get plans approved by DNR and begin to implement those plans to keep the water softening functioning. . We need to begin raising additional revenue either way and soon. I am recommending a 10% across the board increase in the water rates to:

The water rates for ALL customers within the City of Centralia are as follows:

- For the first 2,000 gallons - \$3.85 per 1,000 gallons
- For the next 10,000 gallons - \$3.54 per 1,000 gallons
- For all usage over 12,000 gallons - \$3.38 per 1,000 gallons

In addition to the rates listed above, a meter fee based on the size of meter is assessed as follows:

- 3/4 inch meter - \$3.85 per month
- 1 inch meter - \$7.48 per month
- 1 1/2 inch meter - \$10.80 per month
- 2 inch meter - \$17.91 per month
- 3 inch meter - \$53.13 per month
- 4 inch meter - \$88.94 per month

Sewer: Based on the reports from Bartlett & West and the new (National Pollutant Discharge Elimination System) NPDES Permit the City of Centralia that became effective March 1, 2018, we have four years to meet the new regulations. The City, regardless of the outcome of the election on Tuesday, April 3rd must begin to get plans approved by DNR and begin to implement those plans to meet the new standards. We need to begin raising additional revenue either way and soon. I am recommending a 25% across the board increase in the sewer rates to:

\$8.88 base fee and \$0.069/100 gallons of metered water usage.

For all of our utilities we have very low fixed or base costs as compared to our actual fixed costs. This is especially true in Water and Sewer. We have historically done this which is advantageous to smaller and sometimes poorer families, but it shifts costs to large volume users. This may be something that we would like to look at in the future. This might merit the expense on having a rate study done by a consultant or possibly staff resources from MPUA or Missouri Rural Water.

Staff recommendation: The Committee should direct staff to produce ordinances for a 10% across the board increase in water rates and meter fees; a 25% increase to sewer rates and base fee; and ***unless the Board sees fit to invest the rate increase in other projects***, a 2.5% decrease in the charge per kwh used in electricity.

BILL NO. _____

ORDINANCE NO. _____

A BILL TO CREATE AN ORDINANCE ENTITLED:

“AN ORDINANCE REPEALING SECTION 26-118 OF THE CENTRALIA CITY CODE AND REPLACING IT WITH A NEW SUBSECTION SECTION 26-118 OF THE CENTRALIA CITY CODE TO SET SERVICE CHARGES FOR WATER PROVIDED BY THE CITY OF CENTRALIA, MISSOURI.”

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF CENTRALIA, MISSOURI, as follows:

SECTION 1. Section 26-118 of the Centralia City Code is hereby changed, altered, and amended to read as follows:

SECTION 26-118. WATER RATES FIXED

The rates to be charged for water furnished to users and customers of water from the City of Centralia Water System, are hereby fixed as follows:

1. For all customers and users inside the City limits for a service period for each thirty (30) days or calendar month the charge shall be:

a.

- (1) For the first 2,000 gallons - \$3.85 per 1,000 gallons*
- (2) For the next 10,000 gallons - \$3.54 per 1,000 gallons*
- (3) For all usage over 12,000 gallons - \$3.38 per 1,000 gallons*

and in addition, each customer and user shall be charged a monthly demand charge, according to the size of the meter used, as follows:

- (4) 5/8 inch to 3/4 inch meter - \$3.85 per month*
- (5) 1 inch meter - \$7.48 per month.*
- (6) 1-1/2 inch meter - \$10.80 per month.*
- (7) 2 inch meter - \$17.91 per month*
- (8) 3 inch meter - \$53.13 per month.*
- (9) 4 inch meter - \$88.94 per month.*

b. *Each customer and user of water from the City shall have a monthly minimum charge for 1,000 gallons per month regardless of the amount used, so that the minimum monthly charge shall be six dollars and eighty-six cents (\$6.86).*

2. a. Each customer and user who receives water to be used on property located outside the City limits shall pay a premium rate of twenty percent (20%) in excess of the rate charged for use inside the City limits.

b. *Each customer and user of water outside the City limits shall have a minimum monthly charge for one thousand (1,000) gallons per month regardless of the amount used, plus the premium of twenty percent (20%) in excess of the rate charged for use inside the City limits, so that the minimum monthly charge shall be eight dollars and twenty-three cents (\$8.23).*

SECTION 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 3. This ordinance shall take effect and be in full force and effect from and after May 25, 2018.

PASSED by the Board of Aldermen this _____ day of _____, 2018.

Alderman Wilkins _____
Alderman Hudson _____
Alderman Lee _____

Alderman Bormann _____
Alderman Rodgers _____
Alderman Magley _____

Presiding Officer

ATTEST:

City Clerk, Heather Russell

This ordinance approved by the Mayor this _____ day of _____, 2018.

Mayor, Tim Grenke

ATTEST:

City Clerk, Heather Russell

BILL NO.:_____

ORDINANCE NO.:

A BILL TO CREATE AN ORDINANCE ENTITLED:

“AN ORDINANCE REPEALING SECTION 26-125 AND SUBSECTION 26-134 A. OF THE CENTRALIA CITY CODE AND REPLACING IT WITH A NEW SECTION 26-125 AND A NEW SUBSECTION 26-134 A. TO SET SERVICE CHARGES FOR USERS OF THE SEWERAGE SYSTEM PROVIDED BY THE CITY OF CENTRALIA, MISSOURI.”

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF CENTRALIA, MISSOURI, as follows:

SECTION 1. Section 26-125 of the Centralia City Code is hereby changed, altered, and amended to read as follows:

SECTION 26-125. USER CHARGES FIXED.

Each user connected to the water and sewerage system shall pay a monthly user charge of \$0.08625 per one hundred (100) gallons of water used (or wastewater used, if applicable, as explained in Sections 26-123 and 26-124), to cover the costs for operation, maintenance, and replacement of the sewerage system. In addition, each user connected to the water and sewerage system shall pay a monthly charge of seven dollars and ten cents (\$8.80) for each billing account each user has, regardless of the amount of water or wastewater used or whether any water or wastewater is used. For purposes of this Section, “billing account”, shall be defined as the authorized use of City water or wastewater measured by one (1) primary meter or by one (1) primary meter and a grouped set of secondary meters.

SECTION 2. Subsection 26-134 A. is hereby changed, altered, and amended to read as follows:

A. Every customer and user of sewer services supplied by the City, whether inside or outside the City limits, shall pay to the City an annual fee for each sewer service connection the customer and user has with the City. The annual fee for each residential customer sewer service connection shall be eighty cents (\$.80). The annual fee for each commercial or industrial sewer customer sewer service connection not served by the City's water system shall be three dollars and forty-two cents (\$3.42). The annual fee for each commercial or industrial sewer customer sewer service connection with a connection to the City's water system of less than or equal to one (1) inch excluding taps for fire suppression and irrigation systems shall be three dollars (\$3.00). The annual fee for each commercial or industrial sewer customer sewer service connection with a connection to the City's water system of more than one (1) inch but less than or equal to four (4) inches excluding taps for fire suppression and irrigation systems shall be eleven dollars (\$11.00). The annual fee for each commercial or industrial sewer customer sewer service connection with a connection to the City's water system of more than four (4) inches excluding taps for fire suppression and irrigation systems shall be twenty-nine dollars (\$29.00). Provided, however, no single facility served by multiple sewer service connections shall have a total sewer service connection fee more than seven hundred dollars (\$700.00) per year. The annual fee shall be enumerated separately from all other charges on each customer's bill and shall be collected by the City in monthly increments.

SECTION 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 4. This ordinance shall take effect and be in **full force and effect from and after May 25, 2018.**

PASSED by the Board of Aldermen this _____ day of _____, 2018.

Alderman Wilkins _____
Alderman Hudson _____
Alderman Lee _____

Alderman Bormann _____
Alderman Rodgers _____
Alderman Magley _____

Presiding Officer

ATTEST:

City Clerk, Heather Russell

This ordinance approved by the Mayor this _____ day of _____, 2018.

Mayor, Tim Grenke

ATTEST:

City Clerk, Heather Russell

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BILL NO.

ORDINANCE NO. _____.

A BILL TO CREATE AN ORDINANCE ENTITLED:

“AN ORDINANCE REPEALING SUBSECTIONS A AND B OF SECTION 26-115 OF THE CENTRALIA CITY CODE AND REPLACING IT WITH NEW SUBSECTIONS A AND B OF SECTION 26-115 TO SET SERVICE CHARGES FOR ELECTRICITY PROVIDED BY THE CITY OF CENTRALIA, MISSOURI.”

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF CENTRALIA, MISSOURI, as follows:

SECTION 1. Subsections A and B of Section 26-115 of the Centralia City Code are hereby changed, altered, and amended to read as follows:

- A. There shall be charged to each and every user, consumer and customer of City electrical services a usage charge of nine dollars and thirty-five cents (\$9.35) each and every calendar month.*
- B. Except as provided in Subsection (G) below, there shall be a charge of 9.93 cents per kilowatt hour for all electricity furnished to each and every user, consumer, and customer by the City*

SECTION 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 3. This ordinance shall take effect and be in **full force and effect from and after May 25, 2018.**

PASSED by the Board of Aldermen this _____ day of _____, 2018.

Alderman Wilkins _____
Alderman Hudson _____
Alderman Lee _____

Alderman Bormann _____
Alderman Rodgers _____
Alderman Magley _____

Presiding Officer

ATTEST:

City Clerk, Heather Russell

This ordinance approved by the Mayor this _____ day of _____, 2018.

Mayor, Tim Grenke

ATTEST:

City Clerk, Heather Russell



ENGINEERING ON-CALL SERVICES – TASK ORDER

City of Centralia Missouri

114 S. Rollins St. • Centralia, MO 65240 • Phone (573) 682-2139 • Fax (573) 682-5956

Consultant Bartlett & West, Inc.
Task Order # CEN19-TO-W01
Category Water
Project Water Plant – Funding Assistance
Scope Funding Assistance
Fee Hourly Not-to-Exceed Fee of \$11,000.00

This Task Order is for services to be performed in accordance with the previously executed Engineering On-Call Service Contract ("Agreement") dated February 21, 2017 between the City of Centralia, MO ("City") and Bartlett & West, Inc. ("Consultant"). The services to be included in this Task Order are generally described as:

Various DNR State Revolving Fund (SRF) Funding Assistance for the water system improvements outlined in the Water Treatment Plant Evaluation Report dated August 31, 2017. This Task Order covers various tasks related to the coordination with DNR SRF that may be required for eligibility for SRF funding. The specific scope of services is described in Exhibit A of this Task Order.

Consultant shall perform services for the project described above as detailed in Exhibit A (Scope of Services) which is incorporated herein as though more fully set out herein and in the Agreement. This Task Order shall not be binding until it has been fully executed by both parties. Upon execution, this Task Order shall supplement the Agreement as it pertains to the project described above.

This Task Order is executed this _____ day of _____, 2018.

Submitted By:
Bartlett & West, Inc.

Approved By:
City of Centralia, Missouri

Name and Title

Name and Title

Signature

Signature

Date

Date

EXHIBIT A

SCOPE OF SERVICES

FUNDING ASSISTANCE CITY OF CENTRALIA, MISSOURI CEN19-TO-W01 B&W PN: 18921.006

Background

This Task Order is for various DNR State Revolving Fund (SRF) Funding Assistance for the water system improvements outlined in the Water Treatment Plant Evaluation Report dated August 31, 2017. This Task Order covers various tasks related to the coordination with DNR SRF that may be required for eligibility for SRF funding. The specific scope of services is as follows.

Scope of Services

The Consultant will perform the following services in relation to this project.

1. DNR State Revolving Fund (SRF) Grant and Loan Assistance
 - a. Assistance with responding to DNR comments relative to the previously submitted DNR Drinking Water State Revolving Fund (SRF) Loan Application (MO 780-1845).
 - b. Assistance with completion of DNR Facilities Plan Submittal Checklist (MO 780-2091).
 - i. DNR Facilities Plan Submittal Checklist (MO 780-2091) Section 5 clearance letters including Army Corps of Engineers, Department of Natural Resources-Historic Preservation, Department of Conservation, United States Fish and Wildlife, Department of Natural Resource-Division of Geological Survey, Federal Assistance Clearinghouse, and Department of Natural Resources' Division of State Parks if necessary.
 - ii. DNR Facilities Plan Submittal Checklist (MO 780-2091) Section 6 - Public Participation Meetings in Accordance with 10 CSR 60-13.020(2)(E) and 10 CSR 13.030(5)(B)2.
 - iii. DNR Facilities Plan Submittal Checklist (MO 780-2091) Section 7 - Environmental Information Document in Accordance with 10 CSR 60-13.030(5)(B)1 if necessary
 - c. Preparation of an Operational Management Plan (OMP) for the water system. A hardcopy of the OMP will be delivered to the City with as-builts at final construction completion and an electronic version will also be delivered to the Missouri Department of Natural Resources.
 - d. Amendment to the Water Treatment Plant Evaluation Report, if required by DNR SRF.
 - e. Perform a rate analysis using the current operating budget of the water system.
 - f. Assist the Client in the preparation of a User Charge Ordinance.
2. CDBG funding assistance, if requested by the Client.
3. Attendance of public meetings and hearing as requested by Client

Services Not Included with this Task Order

1. Design, plan production, contract administration, and construction phase services necessary for the project as outlined by Task Orders Nos. CEN19-TO-W02, CEN20-TO-W01, and CEN20-TO-W02.
2. Effort above and beyond \$11,000 in labor and expenses for services associated with SRF assistance related tasks.

Client Responsibilities

1. Information as requested by DNR for funding application.

Fee

The services contained in this Task Order shall be performed for the hourly not-to-exceed fee of \$11,000.00 according to the hourly rate schedule and reimbursable expenses schedule. Rates are subject to change each year. Upon reaching charges totaling \$11,000.00, and if additional effort is required under the scope of this Task Order, Consultant shall make a written request with justification to CLIENT to increase the not-to-exceed fee. Overtime will not be billed at a higher rate.

Schedule

This work will progress at a pace that allows for timely funding assistance as dictated by the overall project schedule and funding agency requirements. All services under this Task Order will be completed within 90 calendar days from the date of construction substantial completion.

The ENGINEER agrees to take steps to assure that disadvantaged business enterprises (DBEs) are utilized when possible as sources of supplies, equipment, construction, and services in accordance with the Drinking Water SRF Loan Program rules, as required by the award conditions of US EPA's Assistance Agreement with Missouri Department of Natural Resources. The ENGINEER acknowledges that the fair share percentages are 10 percent for MBEs and 5 percent for WBEs.



ENGINEERING ON-CALL SERVICES – TASK ORDER

City of Centralia Missouri

114 S. Rollins St. • Centralia, MO 65240 • Phone (573) 682-2139 • Fax (573) 682-5956

Consultant Bartlett & West, Inc.
Task Order # CEN19-TO-W02
Category Water
Project Water Plant – Design, Permitting, and Bidding
Scope Design, Permitting, and Bidding
Fee Hourly Not-to-Exceed Fee of \$188,100

This Task Order is for services to be performed in accordance with the previously executed Engineering On-Call Service Contract ("Agreement") dated February 21, 2017 between the City of Centralia, MO ("City") and Bartlett & West, Inc. ("Consultant"). The services to be included in this Task Order are generally described as:

Design, permitting, and bidding for the water system improvements outlined in the Water Treatment Plant Evaluation Report dated August 31, 2017. The specific scope of services is described in Exhibit A of this Task Order.

Consultant shall perform services for the project described above as detailed in Exhibit A (Scope of Services) which is incorporated herein as though more fully set out herein and in the Agreement. This Task Order shall not be binding until it has been fully executed by both parties. Upon execution, this Task Order shall supplement the Agreement as it pertains to the project described above.

This Task Order is executed this _____ day of _____, 2018.

Submitted By:
Bartlett & West, Inc.

Approved By:
City of Centralia, Missouri

Name and Title

Name and Title

Signature

Signature

Date

Date

EXHIBIT A

WTP DESIGN, PERMITTING, AND BIDDING CITY OF CENTRALIA, MISSOURI CEN19-TO-W02 B&W PN: 18921.007

BACKGROUND

Bartlett & West (Consultant) completed a review and evaluation of the existing City of Centralia MO (City) Water Treatment Plant and summarized those results in a report titled WATER TREATMENT PLANT EVALUATION REPORT, August 31, 2017. The outcome of that evaluation resulted in the following list of recommended improvements.

- Replace Solids Contact Units Equipment
- Air Actuators for Filter Valves (16 Total)
- Flow Meters (5 New + Install 1)
- Remove and Replace Lime Slaker
- New Coagulant Feed System, Tubing, and Installation
- Filter Surface Wash Equipment, Piping, and Valves
- Heating and Ventilation
 - HVAC in Control Building.
 - HVAC in High Service Building.
 - New Air Dryer for Air Compressor.
- Electrical System
 - Electrical in Control Building
 - New 400 KW Generator @ Plant
 - New Portable Generator for 1 Well Operation
 - New VFD's for HSPs and Backwash
 - Control Bldg Exterior Lights
 - High Service Pump Bldg Exterior Lights
 - Control Bldg Interior Lights
 - High Service Pump Bldg Interior Lights
 - Well VFDs (3)
- Instrumentation and Controls

SCOPE OF WORK

The Consultant shall perform the following services under the Task Order.

Design Phase

1. Site Review and Data Gathering: The Consultant will visit the plant site to collect dimensional information needed for the final design. Gather information on existing equipment and facilities needed for final design.
2. Gather Equipment Information from Manufacturers: Communicate with equipment manufactures on details of equipment being considered for design, compile, and discuss with the City.



ENGINEERING ON-CALL SERVICES – TASK ORDER

City of Centralia Missouri

114 S. Rollins St. • Centralia, MO 65240 • Phone (573) 682-2139 • Fax (573) 682-5956

Consultant Bartlett & West, Inc.
Task Order # CEN20-TO-W01
Category Water
Project Water Plant – Construction Administration
Scope Construction Administration
Fee Hourly Not-to-Exceed Fee of \$91,200

This Task Order is for services to be performed in accordance with the previously executed Engineering On-Call Service Contract ("Agreement") dated February 21, 2017 between the City of Centralia, MO ("City") and Bartlett & West, Inc. ("Consultant"). The services to be included in this Task Order are generally described as:

Construction administration for the water system improvements outlined in the Water Treatment Plant Evaluation Report dated August 31, 2017. The specific scope of services is described in Exhibit A of this Task Order.

Consultant shall perform services for the project described above as detailed in Exhibit A (Scope of Services) which is incorporated herein as though more fully set out herein and in the Agreement. This Task Order shall not be binding until it has been fully executed by both parties. Upon execution, this Task Order shall supplement the Agreement as it pertains to the project described above.

This Task Order is executed this _____ day of _____, 2018.

Submitted By:
Bartlett & West, Inc.

Approved By:
City of Centralia, Missouri

Name and Title

Name and Title

Signature

Signature

Date

Date

EXHIBIT A

SCOPE OF SERVICES

**CONSTRUCTION ADMINISTRATION
CITY OF CENTRALIA, MISSOURI
CEN20-TO-W02
B&W PN: 18921.008**

Background

Following successful bidding and award for the upgrades to the City's water treatment plant.

Scope of Services

The Consultant will perform the following construction administration services in relation to this project. These services are based on one (1) construction contract.

1. Create Notice of Award for the Contractor. Finalize Contract Docs and send to Contractor. Assembly of executed Contract Documents. Create Notice to Proceed for the Contractor.
2. Participate in a pre-construction conference prior to the commencement of the work at the site.
3. In the event that the Consultant believes that the Contractor's work will not produce a completed project that generally conforms to the Contract Documents, the Consultant will recommend to the City that the Contractor's work be disapproved and rejected.
4. Recommend changes in the work and prepare change orders, field orders, and work change directives as appropriate. Respond to Contractors RFIs.
5. Receive, review, and determine the acceptability of schedules that Contractor is required to submit to Engineer, including the Progress Schedule, Schedule of Submittals, and Schedule of Values.
6. Review and take appropriate action in respect to shop drawings, samples, inspection reports, and manufacturer's data furnished by the Contractor. Such review is only for general conformance with the design concept of the project and the information given in the Construction Documents. Neither the review nor any correction(s) or comment(s) made on submittal(s) relieves the Contractor from full compliance with the Contract Documents, including, but not limited to, the plans and specifications. The review of shop drawings shall be limited to two submissions under the scope of Basic Services and will be conducted only after the General Contractor has coordinated said documents to indicate field conditions, proposed General Contractor's deviations from the Contract Documents, and other requirements which affect design intent; all submissions shall indicate that the required coordination has been performed. The Consultant will be compensated by the City as additional services for review of shop drawings submitted by the General Contractor more than twice. Review of a specific item does not, nor shall it be construed to, include review of an assembly of which the item is a component. The Contractor is solely responsible for all measurements, dimensions, quantities, materials, and proper fit up and interfacing of all components, all aspects of any fabrication process; the means, methods, techniques, sequences and procedures of construction; coordination of the work with that of all other trades; and performing all work in a safe and satisfactory manner. When the professional certification of performance characteristics of materials, systems or equipment is required by the

Contract Documents, the Consultant shall be entitled to rely upon such certification to establish that the materials, systems or equipment meet the performance criteria required by the Contract Documents.

7. Review and make recommendations regarding Contractor's payment requests. Recommendations are made based on the Consultant's knowledge, information, and belief that the construction progress and the work is in general conformance with the Contract Documents. By approving a Contractor payment request, the Consultant makes no representation that the Contractor's work complies in every respect to the requirements set forth in the Contract Documents and assumes no responsibility for compliance with the contract requirements by the Contractor.
8. Make visits to the Site at intervals appropriate to the various stages of construction, as Engineer deems necessary, in order to observe as an experienced and qualified design professional the progress of Contractor's executed Work. Such visits and observations by Engineer is not intended to be exhaustive or to extend to every aspect of the Work in progress or to involve detailed inspections of the Work in progress beyond the responsibilities specifically assigned to Engineer in the Task Order and the Contract Documents, but rather are to be limited to spot checking, and similar methods of general observation of the Work based on Engineer's exercise of professional judgment. Based on information obtained during such visits and observations, Engineer will determine in general if the Work is proceeding in accordance with the Contract Documents, and Engineer shall keep Owner informed of the progress of the Work.
9. Receive, review and transmit to Owner maintenance and operating instructions, schedules guarantees, bonds, certificates, or other evidence of insurance not previously submitted and required by the Contract Documents, certificates of inspection, tests and approvals, Shop Drawings, Samples and other data approved as provided above, and transmit the annotated record documents which are to be assembled by Contractor in accordance with the Contract Documents to obtain final payment. The extent of such review by Engineer will be limited as provided above.
10. Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use, in company with Owner and Contractor, visit the Site to determine if the Work is Substantially Complete. If after considering any objections of Owner, Engineer considers the Work Substantially Complete, Engineer shall deliver a certificate of Substantial Completion to Owner and Contractor. Create a punch-list of items needing completion or correction before final acceptance.
11. Conduct a final payment inspection to determine if the completed Project is acceptable so that Engineer may recommend, in writing, final payment to Contractor. Accompanying the recommendation for final payment, Engineer shall also provide a notice that the Work is acceptable to the best of Engineer's knowledge, information, and belief and based on the extent of the services provided by Engineer under this Agreement. Prepare a Certificate of Work Completed DNR form.
12. The Consultant will provide commissioning assistance at the time of startup of the new equipment. A total of 12 hours for Process and 8 hours Electrical are included in the budget for this work, and are included in one trip to the site. If additional time is required, then additional fee will be required.
13. Monthly construction Progress Meetings (assume 12) a representative of the Consultant will attend in person. Other Consultant personnel will attend remotely via Skype as deemed appropriate based on project activities at that time.

14. Attend CLIENT board meetings to update the board on project matters and progress of work.
Assumes 12 board meetings over 1 year.
15. Monthly Progress Reports to City for Board meeting packet.
16. Prepare and provide assistance related to funding agency and state documentation.
 - a. Preparation of PW-2 for each Contractor according to Missouri Division of Labor Standards
 - b. Assist CLIENT with form 5060 for sales and use tax (tax exemption) for each Contractor with Missouri Department of Revenue
 - c. American Iron and Steel Review and Documentation – Consultant will gather from the contractor, review, verify, and submit all the American Iron and Steel required documentation prior to each pay request as part of the construction administration services.
 - d. Review record of wages paid to all workers of each contract (payrolls) as required per Missouri Division of Labor Standards
 - e. Wage interviews as required by DNR (assumes 1 trip per month during construction)
 - f. Obtain PW-4 form from Contractor
17. Complete Record Drawings based on information from the contractor, and construction documentation such as RFIs, Field Orders, and Change Orders.
18. Attend 11-month inspection following project Final Acceptance and correspond with Contractor on any needed corrections.

Services Not Included with this Task Order

1. Construction staking or setting of construction benchmarks.
2. Construction testing such as compaction, concrete, paint, etc.
3. Litigation related to the project construction.
4. Work related to upgrades or improvements not recommended in the Water Treatment Plant Evaluation Report dated August 31, 2017
5. Tasks as outlined by Task Orders Nos. CEN19-TO-W01, CEN19-TO-W02, and CEN20-TO-W02

Client Responsibilities

1. Contract with independent testing consultants as outlined in the construction contract with the Contractor.
2. Take action to approve Change Orders
3. Take action to approve contractor Pay Requests.
4. Attend monthly progress meetings.
5. Assume operation of the new equipment as it becomes available, and as outlined in the construction contract with the Contractor.

Fee

The services contained in this Task Order shall be performed for the hourly not-to-exceed fee of \$91,200 according to the hourly rate schedule and reimbursable expenses schedule. Rates are subject to change each year. Overtime will not be billed at a higher rate.

Schedule

Under this Task Order, Construction Administration services shall be provided throughout the duration of the construction contract for the anticipated time of 365 calendar days.

The ENGINEER agrees to take steps to assure that disadvantaged business enterprises (DBEs) are utilized when possible as sources of supplies, equipment, construction, and services in accordance with the Drinking Water SRF Loan Program rules, as required by the award conditions of US EPA's Assistance Agreement with Missouri Department of Natural Resources. The ENGINEER acknowledges that the fair share percentages are 10 percent for MBEs and 5 percent for WBEs.



ENGINEERING ON-CALL SERVICES – TASK ORDER

City of Centralia Missouri

114 S. Rollins St. • Centralia, MO 65240 • Phone (573) 682-2139 • Fax (573) 682-5956

Consultant Bartlett & West, Inc.
Task Order # CEN20-TO-W02
Category Water
Project Water Plant – Construction Observation
Scope Construction Observation
Fee Hourly Not-to-Exceed Fee of \$168,600.00

This Task Order is for services to be performed in accordance with the previously executed Engineering On-Call Service Contract ("Agreement") dated February 21, 2017 between the City of Centralia, MO ("City") and Bartlett & West, Inc. ("Consultant"). The services to be included in this Task Order are generally described as:

Construction observation for the water system improvements outlined in the Water Treatment Plant Evaluation Report dated August 31, 2017. The specific scope of services is described in Exhibit A of this Task Order.

Consultant shall perform services for the project described above as detailed in Exhibit A (Scope of Services) which is incorporated herein as though more fully set out herein and in the Agreement. This Task Order shall not be binding until it has been fully executed by both parties. Upon execution, this Task Order shall supplement the Agreement as it pertains to the project described above.

This Task Order is executed this _____ day of _____, 2018.

Submitted By:
Bartlett & West, Inc.

Approved By:
City of Centralia, Missouri

Name and Title

Name and Title

Signature

Signature

Date

Date

EXHIBIT A

SCOPE OF SERVICES

**CONSTRUCTION OBSERVATION
CITY OF CENTRALIA, MISSOURI
CEN20-TO-W02
B&W PN: 18921.009**

Background

Following successful bidding and award for the upgrades to the City's water treatment plant.

Scope of Services

The Consultant will perform the following services in relation to this project.

1. Consultant shall furnish a Resident Project Representative ("RPR") to assist Consultant in observing progress and quality of the Work. The RPR may provide PART TIME representation. RPR is Consultant's representative at the Site, will act as directed by and under the supervision of Consultant, and will confer with Consultant regarding RPR's actions.
2. Through RPR's observations of the Work, including field checks of materials and installed equipment, Consultant shall endeavor to provide further protection for Owner against defects and deficiencies in the Work. However, Consultant shall not, as a result of such RPR observations of the Work, supervise, direct, or have control over the Work, nor shall Consultant (including the RPR) have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, for security or safety at the Site, for safety precautions and programs incident to the Work or any Constructor's work in progress, for the coordination of the Constructors' work or schedules, or for any failure of any Constructor to comply with Laws and Regulations applicable to the performing and furnishing of its work. The Consultant (including RPR) neither guarantees the performances of any Constructor nor assumes responsibility for any Constructor's failure to furnish and perform the Work, or any portion of the Work, in accordance with the Construction Contract Documents.
3. The duties and responsibilities of the RPR are as follows:
 - A. *General:* RPR's dealings in matters pertaining to the Work in general shall be with Consultant and Contractor. RPR's dealings with Subcontractors shall only be through or with the full knowledge and approval of Contractor.
 - B. *Schedules:* Review the progress schedule, and provide input to Consultant on work status.
 - C. *Conferences and Meetings:* Attend meetings with Contractor, such as preconstruction conferences, progress meetings, job conferences, and other Project-related meetings
 - D. *Liaison:* Serve as Consultant's liaison with Contractor. Working principally through Contractor's authorized representative or designee, assist in providing information regarding the provisions and intent of the Construction Contract Documents.

- E. Review of Work; Defective Work: Report to Consultant whenever RPR believes that any part of the Work is defective under the terms and standards set forth in the Construction Contract Documents, and provide recommendations as to whether such Work should be corrected, removed and replaced, or accepted as provided in the Construction Contract Documents.
- F. Inspections, Tests, and System Start-ups:
 - 1. Consult with Consultant in advance of scheduled inspections, tests, and systems start-ups.
 - 2. Verify that tests, equipment, and systems start-ups and operating and maintenance training are conducted in the presence of appropriate Owner's personnel, and that Contractor maintains adequate records thereof.
 - 3. Observe, record, and report to Consultant appropriate details relative to the test procedures and systems start-ups.
 - 4. Observe whether Contractor has arranged for inspections required by Laws and Regulations, including but not limited to those to be performed by public or other agencies having jurisdiction over the Work.
 - 5. Accompany visiting inspectors representing public or other agencies having jurisdiction over the Work, record the results of these inspections, and report to Consultant.
- G. Records:
 - 1. Maintain at the Site orderly files for correspondence, reports of job conferences, copies of Construction Contract Documents including all Change Orders, Field Orders, Work Change Directives, Addenda, additional Drawings issued subsequent to the execution of the Construction Contract, RFIs, Consultant's clarifications and interpretations of the Construction Contract Documents, progress reports, approved Shop Drawing, and other Project-related documents.
 - 2. Prepare a daily report or keep a diary or log book, recording Contractor's hours on the Site, Subcontractors present at the Site, weather conditions, data relative to questions of Change Orders, Field Orders, Work Change Directives, or changed conditions, Site visitors, deliveries of equipment or materials, daily activities, decisions, observations in general, and specific observations in more detail as in the case of observing test procedures; and send copies to Consultant.
 - 3. Photograph Work in progress or Site conditions.
- H. Reports:
 - 1. Furnish to Consultant periodic reports as required of progress of the Work and of Contractor's compliance with the progress schedule and schedule of Shop Drawing and Sample submittals.
 - 2. Immediately inform Consultant of the occurrence of any Site accidents, emergencies, acts of God endangering the Work, possible force majeure or delay events, damage to

property by fire or other causes, or the discovery of any potential differing site condition or Constituent of Concern.

- I. *Payment Requests:* Review applications for payment with Contractor for compliance with the established procedure for their submission and forward with recommendations to Consultant, noting particularly the relationship of the payment requested to the schedule of values, Work completed, and materials and equipment delivered at the Site but not incorporated in the Work.
 - J. Completion:
 1. Participate in Consultant's visits to the Site regarding Substantial Completion, assist in the determination of Substantial Completion, and prior to the issuance of a Certificate of Substantial Completion submit a punch list of observed items requiring completion or correction.
 2. Participate in Consultant's visit to the Site in the company of Owner and Contractor, to determine completion of the Work, and prepare a final punch list of items to be completed or corrected by Contractor.
 3. Observe whether all items on the final punch list have been completed or corrected, and make recommendations to Consultant concerning acceptance.
4. Resident Project Representative shall not:
- A. Authorize any deviation from the Construction Contract Documents or substitution of materials or equipment (including "or-equal" items).
 - B. Undertake any of the responsibilities of Contractor, Subcontractors, or Suppliers, or any Constructor.
 - C. Advise on, issue directions relative to, or assume control over any aspect of the means, methods, techniques, sequences or procedures of the Work, by Contractor or any other Constructor.
 - D. Advise on, issue directions regarding, or assume control over security or safety practices, precautions, and programs in connection with the activities or operations of Owner or Contractor.

Services Not Included with this Task Order

1. Tasks as outlined by Task Orders Nos. CEN19-TO-W01, CEN19-TO-W02, and CEN20-TO-W01

Client Responsibilities

1. None

Fee

The time spent by the RPR will be billed on an hourly basis for the hours spent on the project by the RPR. The budget is based on 1,360 hours. In addition to the hourly fee, expenses will be charged at cost such as mileage and lodging. Per Diem will be \$51/day for meals. Overtime, if needed, will be billed at 1.35 times the normal hourly rate. The project will be completed for an hourly not-to-exceed fee of \$168,600. However, if the construction period is extended the Consultant will request additional fee for the RPR. Rates are subject to change each year.

Schedule

Under this Task Order, Construction Observation services shall be provided throughout the duration of the construction contract for the anticipated time of 365 calendar days.

The ENGINEER agrees to take steps to assure that disadvantaged business enterprises (DBEs) are utilized when possible as sources of supplies, equipment, construction, and services in accordance with the Drinking Water SRF Loan Program rules, as required by the award conditions of US EPA's Assistance Agreement with Missouri Department of Natural Resources. The ENGINEER acknowledges that the fair share percentages are 10 percent for MBEs and 5 percent for WBEs.

3. Develop 30% level drawings: Drawings to include, but not limited to: Existing background information, new equipment preliminary sized and placed, design criteria near 75% complete. Principal areas of design include Process, Plumbing, Mechanical, and Electrical. Prepare a submittal set for review by the City.
4. Develop 95% level drawing and technical specifications: Drawings are near completion. Equipment design is complete, equipment tables complete, technical specifications near completion. Prepare a submittal set for review by the City.
5. Develop Final Bid Ready Documents: Final drawings, technical specifications completed and ready for bidding.
6. Instrumentation and Control: The City has a System Integrator with which the Consultant will coordinate for system design. It is also assumed that the System Integrator will be available for meetings with the Consultant during design. It is assumed the System Integrator will handle programming of the existing plant control panel, and will add any additional equipment within the control panel. It is assumed the System Integrator would provide the hardware and field devices for contractor installation. If a more formal bidding process is required by the funding agency, a detailed signal list, operations narrative, or technical specifications are required, than additional fee may be required.
7. Develop Front End (Contract Portion) of specifications and incorporate funding agency language. It is anticipated that EJCDC documents will be utilized.
8. Submit DNR Construction Permit application and respond to comments from DNR in order to obtain construction permit.
9. Lead efforts to coordinate with the electrical utility on any changes need to the plant electrical service.
10. Provide City with a current opinion of probable Construction Cost, and any adjustments to Total Project Costs known to Engineer. It is anticipated that updated cost estimates will be developed at 30% and 95% , and Final Bid Document design status.
11. Quality Control Review: At times deemed appropriate by the Consultant, conduct internal QC review of the drawings, specifications, and design calculations. Document such reviews to the City.
12. Meetings
In addition to the initial site visit outlined previously, we will attend:
 - a. Up to two (2) additional site visit to gather more detailed dimensional information and check existing improvements with proposed design.
 - b. 30% design review meeting.
 - c. 95% design review meeting.
 - d. Once per month remote (Skype) check in meetings.
 - e. Intermediate calls will occur as needed to exchange information while the work is being completed.
 - f. Internal team meetings to coordinate between disciplines.
 - g. Attend two (2) City Board meetings. One intermediate update, and when ready for Authorization to Bid.

13. Project Management

- a. At a minimum, on a monthly basis, review the scope and budget. Incorporate changes to stay on time and within budget.
- b. Provide a monthly report or call to keep the City up to date on project status.
- c. Coordination with Client staff, financial advisors, and attorney.

Bidding Phase Services

1. Direct the bidding process for the City
2. Assist the City with advertising the Notice to Bidders in local newspaper and the Dodge Report. The City is to pay for all advertising fees
3. Administer the distribution of bidding documents to prospective bidders. Consultant will use a print shop such as American Document Solutions of Columbia, Missouri, to print and ship documents and send out addenda. Consultant will not sell documents or provide refunds for returned documents.
4. Prepare for and conduct a Pre-Bid Conference for perspective bidders
5. Address bidder questions regarding the plans and contract documents
6. Prepare and issue addenda and provide supplemental information or clarification, as appropriate, to interpret, clarify or expand the bidding documents to all prospective bidders during the bidding process
7. Attend the bid opening, prepare the bid tabulation sheets, assist the City in evaluating the bids and the contract award
8. Attend City Board meeting to present results of the bid, and provide bid recommendation.

Services Not Included

The following items are not included, but can be incorporated upon request by the City, and with additional agreed up fee.

1. Additional jar testing to finalize choice of coagulant.
2. Further evaluation of pebble vs hydrated lime.
3. Changes to the lime feed system, except as outline in the scope of work above.
4. Hydraulic calculations through the treatment plant
5. Addition of treatment units such as SCU or filter cells.
6. Sludge handling ponds or systems.
7. Structural review or evaluation for the buildings and basins.
8. Site improvements
9. Discussion related to project funding.
10. Environmental review or gathering of information for another party to complete an environmental review.
11. Water Rate impacts
12. Assist City with bid protests, rebidding, or renegotiating contracts for construction, materials, equipment, or services.
13. Utility coordination, except as noted above.
14. Geotechnical engineering
15. Determination of the existence of any hazardous materials associated with building components or systems.
16. Any LEED design review or criteria development for the project.
17. Tasks as outlined by Task Orders Nos. CEN19-TO-W01, CEN20-TO-W01, and CEN20-TO-W02.

18. Upgrades or improvements not recommended in the Water Treatment Plant Evaluation Report dated August 31, 2017
19. Attendance at City Board meetings, except as defined above.
20. Re-advertising and rebidding
21. Revision of plans to reduce cost following bid opening.
22. Surveying of any kind

Responsibilities of the City

1. Provide existing data, maps, plan sets, water quality, water quantity, and other information the City has that will be needed.
2. Coordinate and/or contract with a local chemical supplier if additional jar testing is deemed necessary.
3. Contract directly with the controls system integrator for their services.
4. Collect and pay for any water quality analysis required.
5. Pay for any permit fees, application fees, notice advertising fees, and other similar fees.
6. Any legal fees incurred if the City elects to have their legal counsel review any contracts or documents associated with the project.
7. Prompt reviews of plans during design submittals.

Fee

The services contained in this Task Order shall be performed for the hourly not-to-exceed fee of \$188,100 according to the hourly rate schedule and reimbursable expenses schedule. Rates are subject to change each year. Overtime will not be billed at a higher rate.

Schedule

The project will progress at a pace that allows for timely data gathering, summarization, evaluation of options, and cost estimates. It is anticipated the project will progress at the following approximate schedule following receipt of a signed Task Order.

- 30% Submittal: Within 90 days after Task Order Execution
- 95% Submittal: Within 90 days after the 30% review meeting
- Submittal to MO-DNR: Within 45 days after the 95% review meeting
- Bidding: Start the bid process within six weeks of receiving MDNR approval.

All services under this Task Order will be completed within 400 calendar days from the date of the last signature on this Task Order.

The ENGINEER agrees to take steps to assure that disadvantaged business enterprises (DBEs) are utilized when possible as sources of supplies, equipment, construction, and services in accordance with the Drinking Water SRF Loan Program rules, as required by the award conditions of US EPA's Assistance Agreement with Missouri Department of Natural Resources. The ENGINEER acknowledges that the fair share percentages are 10 percent for MBEs and 5 percent for WBEs.

Schedule

Under this Task Order, Construction Administration services shall be provided throughout the duration of the construction contract for the anticipated time of 365 calendar days.

JOE WATT AUTO SALES INC.

**P.O. Box 924
Vinita, OK 74301
(918) 944-3918**

April 30, 2018

Centralia P.D.
Centralia, MO

PROPOSAL

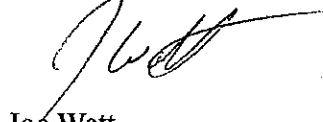
(1) Used Ford Taurus Sedan – full police package, white in color, 793 miles, AWD, equipped as follows:

NFORCE Low profile LED light bar – R/B, TD's, Alleys & AMB TRF ADV
400 Series Remote Siren & Speaker/Box
Whelen LED Red & Blues, front & rear
Push bumper w/lights
Jotto Console w/cup holder & armrest
Driver side Spot light
Stalker Radar unit (refurbished)
Watch Guard 4RE Camera System (refurbished)
All professionally installed

Price: \$32,000.00

*- \$1,500 for Trade in
for 823*

Sincerely,



Joe Watt
President

STREET DEPARTMENT
April 2018 Activity Report

1. Collected and bailed cardboard from businesses 2 days a week
2. Got called out and had to put spreader and snowplow back on dump truck and spend a couple days plowing and spreading material on streets
3. Did 79 locates this month
4. Spent several days hauling off brush and leaves from drop off site out to the old landfill site
5. Pushed the brush pit at the landfill with the dozer
6. Bladed Rowland, s. Columbia, Campbell, and Ivy
7. Dug out and set 40ft of 10 plastic pipe on Campbell st for Darren Adams
8. Spent several days doing some ditch cleaning on s. Allen, Gano-Chance, Central, Alco, and Locust
9. Emptied and washed out spreader, and then sprayed conveyor chain and removed the spreader, removed the snow plow, and then put the tailgate back on dump truck #104
10. Went and got some cold mix and spent several days patching potholes
11. Cleaned up pile of old power poles at the old landfill site and put into roll off dumpster to get rid of
12. Met with contractor at new houses on Heidi Ln and looked at driveway approaches and sidewalks
13. Had to replace all 3 batteries in dump truck #76
14. Spent a few days digging out and setting 100ft of 15in plastic culvert, 1 tee, and built 1 inlet on s. Allen for Darren Adams beside new house at corner of Campbell/Allen
15. Held city spring cleanup (2 – 3 day weekends)
16. Interviewed and hired someone to fill opening in the street dept
17. Loaded a scrap dumpster 2 times with appliances from spring cleanup
18. Spent a couple days hauling off brush piles around town
19. Talked with homeowner at 804 s. Allen about new driveway culvert
20. Delivered barricades to city square for boy scout event
21. Met with LeeAllen to discuss storm sewer and drainage at his house on n. Jefferson
22. Piled and stirred the compost at the landfill site
23. Measured and figured cost to install storm sewer for several houses on Gano-Chance
24. Measured and figured cost of a new driveway culvert for Jon Wheeler on Tarr st
25. Talked with builder at 818 w. Tidball to answer some drainage questions
26. Loaded truck with compost 3 times
27. Met with landscaping contractor at 801 Southland to answer some drainage questions
28. Attended mtg with Jay, Heather, Matt, and myself to discuss measuring setbacks
29. Set up tables and chairs at city hall for mtg
30. Measured 1 setback for new house on Switzler

Centralia, MO



Legend

- Edit Cemetery Space
- Lot
- Row
- Section
- Space
 - Occupied
 - Vacant
- Address Point
- Road
 - alley; ramp; regular
 - business; interstate; square; state; i
 - private
 - trail
- Driveways
- City Limits
- Parcel
- Hydrology Drainlines
 - <all other values>
 - PL_WATR_STREAM_PHANTOM
- Hydrology Waterbody Outlines
- Hydrology_Waterbody
- Hydrology_Waterbody
- Hydrology_Waterbody
- Ortho_2015
 - Red: Band_1
 - Green: Band_2

1 in. = 50ft.



100.0 0 50.00 100.0 Feet

This Cadastral Map is for informational purposes only. It does not purport to represent a property boundary survey of the parcels shown and shall not be used for conveyances or the establishment of property boundaries.

THIS MAP IS NOT TO BE USED FOR NAVIGATION

Notes

TAP 9900(599) high School Sidewalk Project

Project awarded to B&P Patterson for \$201,025.02

TAP Application Engineers Estimate \$170,975.00

Construction –	\$147,475.00	
Design -	\$14,000	9.5%
Inspection -	\$9,500	6.4%
Total -	\$170,975.00	

Actual Costs

Construction Total -	\$203,384.05	
Engineering -	\$15,000	7.4%
Inspection -	\$13,230	6.5%
Total -	\$231,614.05	

City received \$137,780 in MoDOT Funds. (80% Matching Funds of Application)
City Funds \$93,834.05

Engineering Design Phase - \$15,000

This includes surveying, design, plans, specs, MoDOT paperwork, meetings, and the bidding process.

Construction Phase - \$13,230

This includes Construction Inspection, attending all meetings, completing pay applications and change orders, and any other items that came up during construction.

There were two change orders on the project.

CO#1 - \$973.49 – Two items in this change order. First was the downspout that the home owner had installed to the Stormsewer system that was unknown to be reconnected to newly installed HDPE. The second item was 3 gas valves in the sidewalk to be adjusted in height to match the finished sidewalk grade.

CO#2 - \$1,385.54 – This change order zeroed out the small quantities remaining that were not used in the project, replaced preexisting sod, and torn out and replaced the driveway just south of the gas substation. The Sod wasn't brought to our attention until after the excavating had been completed and MECO and the City agreed it should be put back as it was. The driveway was inspected the year prior to construction and believed to be kept in place without removing. During construction it was decided that it had deteriorated and needed to be replaced to meet ADA compliance.

Neither of the change orders effected the Engineering costs.

**CONTRACT CHANGE ORDER
SECTION 00941**

Change Order No. 1
Project No. 493-002

Sheet of
Original 2 of 6

Recommended: MECO Engineering Co., Inc.
(Engineer)

To: B&P Patterson LLC
(Contractor)

From: City of Centralia
(Owner)

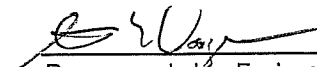


You are hereby directed to make the following changes:

I. Reason for change and effect on completion time (if any):

II. Cost of work affected by this Change Order:

Item No.	Item Description	Bid Amount			Previous Change Orders		This Change Order		Revised Contract
		Quantity/Units	Unit Price	Value	C.O. #	Quantity Changed	Increase Qty. Decrease Qty.	Amount Added or Deducted	Quantity/Unit
36	Reestablishing Downspout Connection to Stormwater System	0 EA	501.17	\$0.00			1	\$501.17	1 EA
37	Adjusting Utility Lid	0 EA	157.44	\$0.00			3	\$472.32	3 EA
Total This Sheet:								\$973.49	

1. Original Contract Amount:		<u>\$201,025.02</u>
2. Add or Deduct This Order Totals:	<u>\$973.49</u>	
3. Add or Deduct Previous: (Line 4 of previous order)		
4. Total Add or Deduct to Date (2+3):		<u>\$973.49</u>
5. Revised Contract Amount (1+4):		<u>\$201,998.51</u>

	10/3/16
Recommended: Engineer - MECO Engineering Company	Date
	10/3/16
Ordered: Owner	Date
	9/30/16
Accepted: Contractor	Date

Change Order is subject to all provisions of the Contract Documents and is not in effect unless signed by all parties.



BRIAN PATTERSON • P.O. Box 307 • Linn, MO 65051
Cell: 573-690-1249 • Home/Office: 573-897-0729 • Fax: 573-897-5701

September 9, 2016

MECO Engineering Company, Inc.
2701 Industrial Dr.
Jefferson City, MO 65109
ATTN: Mr. Don Jenkins

Re: Centralia High School Sidewalk
MoDOT Project No. TAP-9900 (509)

Dear Mr. Jenkins:

Per your request the following is a breakdown of costs associated with the downspout connections on the above mentioned project.

Labor (2 Laborers x 3 hours)	\$273.91
Material	\$160.00
Subtotal:	\$433.91
Overhead 10%	\$43.39
Profit 5%	\$23.87
TOTAL:	\$501.17

Please feel free to contact me with any questions or concerns. I can be reached by email at pattersonllc@hotmail.com or by cell phone at (573) 694-1249.

Sincerely,

Brian Patterson, Owner



BRIAN PATTERSON • P.O. Box 307 • Linn, MO 65051
Cell: 573-690-1249 • Home/Office: 573-897-0729 • Fax: 573-897-5701

September 20 2016

MECO Engineering Company, Inc.
2701 Industrial Dr.
Jefferson City, MO 65109
ATTN: Mr. Don Jenkins

Re: Centralia High School Sidewalk
MoDOT Project No. TAP-9900 (509)

Dear Mr. Jenkins:

Per your request the following is a breakdown of costs associated with the gas valve adjustment on the above mentioned project. The price listed is per each occurrence.

Labor (2 Laborers x 1 hours)	\$91.31
Equipment (Misc. tool/blade)	\$45.00
Subtotal:	\$136.31
Overhead 10%	\$13.63
Profit 5%	\$7.50
TOTAL:	\$157.44 per each

Please feel free to contact me with any questions or concerns. I can be reached by email at pattersonllc@hotmail.com or by cell phone at (573) 694-1249.

Sincerely,

Brian Patterson, Owner

**CONTRACT CHANGE ORDER
SECTION 00941**

Change Order No. 2
Project No. 493-002

Sheet 1 of 2
Original 2 of 6

Recommended: MECO Engineering Co., Inc.
(Engineer)

To: B&P Patterson LLC
(Contractor)

From: City of Centralia
(Owner)

You are hereby directed to make the following changes:

- I. Reason for change and effect on completion time (if any):
Home owner had preexisting sod in place. City agreed to replace what was taken out. There was an extra sign in quantities.
Driveway was added into the project. City paid for the sidewalk through the driveway.
- II. Cost of work affected by this Change Order:

Item No.	Item Description	Bid Amount			Previous Change Orders		This Change Order		Revised Contract
		Quantity/Units	Unit Price	Value	C.O. #	Quantity Changed	Increase Qty. Decrease Qty.	Amount Added or Deducted	Quantity/Unit
4	Permanent Signs	80.6 SF	36.70	\$2,958.02			-3.8 SF	-\$139.46	76.8 SF
8	Unsuitable Material Excavation	40 CY	40.00	\$1,600.00			-30 CY	-\$1,200.00	10 CY
9	Rock Backfill in Unsuitable Area	40 CY	50.00	\$2,000.00			-30 CY	-\$1,500.00	10 CY
12	Subgrade Compaction (Driveway)	97 SY	10.00	\$970.00			19 SY	\$190.00	116 SY
13	4" Type 5 Aggregate Base	97 SY	10.00	\$970.00			19 SY	\$190.00	116 LS
14	4" PCC Concrete Sidewalk	1204 SY	40.00	\$48,160.00			5 SY	\$200.00	1209 SY
15	6" PCC Concrete Sidewalk	75 SY	55.00	\$4,125.00			19 SY	\$1,045.00	94 SY
38	Replace Preexisting Sod	0 LS	2,100.00	\$0.00			1 LS	\$2,100.00	1 LS
39	Removal of Existing Driveway	0 LS	500.00	\$0.00			1 LS	\$500.00	1 LS
Total This Sheet:								\$1,385.54	

1. Original Contract Amount: \$201,025.02
2. Add or Deduct This Order Totals: \$1,385.54
3. Add or Deduct Previous:
(Line 4 of previous order) \$973.49
4. Total Add or Deduct to Date (2+3): \$2,359.03
5. Revised Contract Amount (1+4): \$203,384.05

11/15/16

Recommended: MECO Engineering Company Date

11/21/16

Ordered: Owner Date

11/15/16

Accepted: Brian Patterson Date

Change Order is subject to all provisions of the Contract Documents and is not in effect unless signed by all parties.



BRIAN PATTERSON - P.O. Box 307 • Linh. MO 65051
Cell: 573-690-1249 • Home/Office: 573-897-0729 • Fax: 573-897-5701

October 11 2016

MECO Engineering Company, Inc.
2701 Industrial Dr.
Jefferson City, MO 65109
ATTN: Mr. Don Jenkins

Re: Centralia High School Sidewalk
MoDOT Project No. TAP-9900 (509)

Dear Mr. Jenkins:

Per your request the following is a breakdown of costs associated with the sodding on the above mentioned project.

Prep area B & P staff:

Labor (2 Laborers x 2 hours)	\$182.62
Equipment (Skid Steer 1 Hr.)	\$75.00
Subtotal:	\$257.62
Overhead 10%	\$25.76
Profit 5%	\$14.17
TOTAL:	\$297.55

Sod (Sub to Schrimpf) (B & P Patterson has no overhead or profit shown on Schrimpf work)

Labor (4 Laborers x 3 hours)	\$547.86
Equipment (Skid Steer 1 hr)	\$75.00
Material (Sod)	\$940.00
Subtotal:	\$1,562.86
Overhead 10% (Schrimpf)	\$156.29
Profit 5% (Schrimpf)	\$83.30
TOTAL:	\$1,802.45

TOTAL of B & P and subcontracted costs: $\$297.55 + \$1,802.45 = \$2,100.00$

Please feel free to contact me with any questions or concerns. I can be reached by email at pattersonllc@hotmail.com or by cell phone at (573) 690-1249.

Sincerely,

Brian Patterson, Owner



BRIAN PATTERSON • P.O. Box 307 • Linn, MO 65051
Cell: 573-690-1249 • Home/Office: 573-897-0729 • Fax: 573-897-5701

October 19, 2016

MECO Engineering Company, Inc.
2701 Industrial Dr.
Jefferson City, MO 65109
ATTN: Mr. Don Jenkins

Re: Centralia High School Sidewalk
MoDOT Project No. TAP-9900 (509)

Dear Mr. Jenkins:

Per your request the following is a breakdown of costs associated with the removal of the existing asphalt drive to achieve ADA compliant sidewalk on the above mentioned project. The price listed is per each occurrence.

Labor (2 Laborers x 2 hours)	\$182.62
Equipment (Trackhoe, Haul)	\$250.29
Subtotal:	\$432.91
Overhead 10%	\$43.29
Profit 5%	\$23.80
TOTAL:	\$500.00

Please feel free to contact me with any questions or concerns. I can be reached by email at pattersonllc@hotmail.com or by cell phone at (573) 690-1249.

Sincerely,

Brian Patterson, Owner

"TOPO" FOR Stormwater & Curb & Gutter DESIGN TO REMEDY EXISTING STORMWATER DRAINAGE PROBLEMS: MAYES MEADOWS SITE (North of High School).

Expanded topo area to include more lengths at Mayes Meadows Lane - totaling approximately 60-ft wide x 1,100 LF long strip topo.

Survey Dept Tasks:

1. In-office coordination and research for horizontal and elevation benchmark control, and cursory survey records research.
2. On-site 'Recon' for R/W & Prop Markers and establish control points from prior existing control from nearby SRTS project. All property markers will be documented and recorded.
3. Detailed topo of subject area for design.
4. In-office post survey preparation of study topo and later design topo for planning use.

Estimated Survey Costs - \$5,000.00

Engineering Design - Stormwater & Curb & Gutter

The estimated design for the project includes 1,104 LF of C&G and 315 LF of stormsewer infrastructure and all the related items included with the installation of these two items.

1. Site Investigation
2. Stormsewer investigation and calculations for appropriately sizing the stormsewer infrastructure
3. Design Stormsewer and Curb & Gutter
4. Complete plans for City
 - a. Sheet plans will include – Cover, Erosion Control, Traffic Control, Plan and Profile Sheets, and Detail Sheets
5. Complete Specifications
6. Attend all necessary meetings during design
7. Completing all processes and attending meetings associated with the bidding process

Estimated Engineering Costs - \$11,000.00

Task Order #CEN18-SS02 for the Mayes Meadow 2018-19 Project – Hourly, Not to Exceed \$16,000.00

This project is Hourly, Not to Exceed meaning the maximum cost would be \$16,000 but it can come in under. Inspection is not included on this project.

4/12/2018	Centralia Vet Clinic City of Centralia	745 E Hwy 22 Old Landfill	5yds extra (construction) Deliver 6-30yds	\$50.00 \$615.00	
4/13/2018	Prenger's	327 E Singleton St	Dump & Return 40yd 8.01 tons @ \$50 per ton	\$164.00 \$400.50	
4/14/2018	Prenger's City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia	327 E Singleton St Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill	Dump 30yd 1.89 tons @ \$50.00 Dump 30yd 2.59 tons @ \$50.00 Dump 30yd 1.23 tons @ \$50.00 Dump 30yd 4.12 tons @ \$50.00	\$164.00 \$94.50 \$164.00 \$129.50 \$164.00 \$61.50 \$164.00 \$206.00	
4/15/2018	City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia	Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill	Dump 30yd 2.70 tons @ \$50.00 Dump 30yd 2.38 tons @ \$50.00 Dump 30yd 3.04 tons @ \$50.00 Dump 30yd 2.14 tons @ \$50.00	\$164.00 \$135.00 \$164.00 \$119.00 \$164.00 \$152.00 \$164.00 \$107.00	
4/16/2018	S & D Tires	112 E Switzler	2yd's extra tires dresser, mattress, 3 bed frames	\$20.00 \$38.45	
	City of Centralia City of Centralia City of Centralia City of Centralia	423 Columbia St Old Landfill Old Landfill Old Landfill Old Landfill	Dump 30yd 1.06 tons @ \$50.00 Dump 30yd 1.70 tons @ \$50.00	\$164.00 \$53.00 \$164.00 \$85.00	
4/17/2018	City of Centralia City of Centralia	Old Landfill Old Landfill	Dump 30yd 1.33 tons @ \$50.00	\$164.00 \$66.50	
4/19/2018	Margie Whisler City of Centralia	204 E Railroad 110 E Railroad	Dump 2yd Deliver 2yd temp	\$41.00 \$25.63	
4/21/2018	City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia Show Me Shortline, LLC	Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill	Dump 30yd 2.64 tons @ \$50.00 Dump 30yd 2.04 tons @ \$50.00 Dump 30yd .88 tons @ \$50.00 Dump 30yd 1.72 tons @ \$50.00	\$164.00 \$132.00 \$164.00 \$102.00 \$164.00 \$44.00 \$164.00 \$86.00	
	Michael Wolfe	1302 Rowland St	Extra dump on 2yd	\$15.38	
4/22/2018	City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia S&D Auto	100 W Railroad Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill 112 E Switzler	Deliver 2yd Rental Dump 30yd 1.09 tons @ \$50.00 Dump 30yd 1.75 tons @ \$50.00 Dump 30yd 1.86 tons @ \$50.00 Dump 30yd 2.37 tons @ \$50.00 Dump 30yd 2.99 tons @ \$50.00 Dump 30yd 2.50 tons @ \$50.00 2yds of tires	\$25.63 \$164.00 \$54.50 \$164.00 \$87.50 \$164.00 \$93.00 \$164.00 \$118.50 \$164.00 \$149.50 \$164.00 \$125.00 \$20.00	
4/23/2018	City of Centralia	Old Landfill	Removed 30yd	\$164.00	
4/24/2018	City of Centralia City of Centralia City of Centralia City of Centralia	Old Landfill Old Landfill Old Landfill Old Landfill	2.01 tons @ \$50.00 Removed 30yd 2.55 tons @ \$50.00 Removed 30yd	\$100.50 \$164.00 \$127.50 \$164.00	\$43.08 \$43.08

4/12/2018	Centralia Vet Clinic City of Centralia	745 E Hwy 22 Old Landfill	5yds extra (construction) Deliver 6-30yds	\$50.00 \$615.00	
4/13/2018	Prenger's	327 E Singleton St	Dump & Return 40yd 8.01 tons @ \$50 per ton	\$164.00 \$400.50	
4/14/2018	Prenger's City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia	327 E Singleton St Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill	Dump 30yd 1.89 tons @ \$50.00 Dump 30yd 2.59 tons @ \$50.00 Dump 30yd 1.23 tons @ \$50.00 Dump 30yd 4.12 tons @ \$50.00	\$164.00 \$94.50 \$164.00 \$129.50 \$164.00 \$61.50 \$164.00 \$206.00	
4/15/2018	City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia	Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill	Dump 30yd 2.70 tons @ \$50.00 Dump 30yd 2.38 tons @ \$50.00 Dump 30yd 3.04 tons @ \$50.00 Dump 30yd 2.14 tons @ \$50.00	\$164.00 \$135.00 \$164.00 \$119.00 \$164.00 \$152.00 \$164.00 \$107.00	
4/16/2018	S & D Tires	112 E Switzler	2yd's extra tires dresser, mattress, 3 bed frames	\$20.00 \$38.45	
	City of Centralia City of Centralia City of Centralia City of Centralia	423 Columbia St Old Landfill Old Landfill Old Landfill Old Landfill	Dump 30yd 1.06 tons @ \$50.00 Dump 30yd 1.70 tons @ \$50.00	\$164.00 \$53.00 \$164.00 \$85.00	
4/17/2018	City of Centralia City of Centralia	Old Landfill Old Landfill	Dump 30yd 1.33 tons @ \$50.00	\$164.00 \$66.50	
4/19/2018	Margie Whisler City of Centralia	204 E Railroad 110 E Railroad	Dump 2yd Deliver 2yd temp	\$41.00 \$25.63	
4/21/2018	City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia Show Me Shortline, LLC	Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill 1302 Rowland St	Dump 30yd 2.64 tons @ \$50.00 Dump 30yd 2.04 tons @ \$50.00 Dump 30yd .88 tons @ \$50.00 Dump 30yd 1.72 tons @ \$50.00 Extra dump on 2yd	\$164.00 \$132.00 \$164.00 \$102.00 \$164.00 \$44.00 \$164.00 \$86.00 \$15.38	
4/22/2018	Michael Wolfe City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia City of Centralia	100 W Railroad Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill Old Landfill	Deliver 2yd Rental Dump 30yd 1.09 tons @ \$50.00 Dump 30yd 1.75 tons @ \$50.00 Dump 30yd 1.86 tons @ \$50.00 Dump 30yd 2.37 tons @ \$50.00 Dump 30yd 2.99 tons @ \$50.00 Dump 30yd 2.50 tons @ \$50.00	\$25.63 \$164.00 \$54.50 \$164.00 \$87.50 \$164.00 \$93.00 \$164.00 \$118.50 \$164.00 \$149.50 \$164.00 \$125.00	
4/23/2018	S&D Auto	112 E Switzler	2yds of tires	\$20.00	
4/24/2018	City of Centralia City of Centralia City of Centralia City of Centralia	Old Landfill Old Landfill Old Landfill Old Landfill	Removed 30yd 2.01 tons @ \$50.00 Removed 30yd 2.55 tons @ \$50.00 Removed 30yd	\$164.00 \$100.50 \$164.00 \$127.50 \$164.00	\$43.08 \$43.08

**ACTIVITY REPORT
WATER DEPARTMENT
APRIL 2018**

- Moved fire hydrant on Shawn Court to move out of drive for Ron Stuart
- Replaced water meter jar and reset meter setter after being hit by contractor on Shawn Court
- Made five water taps on Lois Drive for Jon Smith
- Made three water taps on Lockport for Nick Bryson
- Replaced water service at 602 Switzler to update
- Meetings with three different farmers on land purchase for wastewater bond issue terms
- Replaced screen in clearwell on overflow to satisfy DNR on inspection
- Dug down to intake pipe at Marty Bownes to identify pipe outside diameter for engineers and pump data
- Flushed sewer main at 903 Briarwood to check flow for resident – ok
- Flushed sewer main at 613 Hawthorne to clear blockage in main
- Flushed sewer main at Lot 45 Tidballs to check for blockage - ok
- Two people pushed snow to cover for street department
- Checked for infiltration during rainfall
- Checked several hydrants on west side of town for static and residual readings
- Checked suck hole in alley behind Whisler property – to be fixed
- Worked on #4 dump truck – battery, lights and side boards
- Matched manholes to proper mains from Visu-Sewer lining
- Spotted water main with vac trailer to avoid electric pole set
- Inspected trailer court sewers and found 14 need clean-out lids
- Checked leak at 133 Denton – resident
- Changed meter service at 22 Drive Thru due to broken key valve
- Made water tap and set meter for Cow Patty Flowers
- Shut off water and assisted Chance Company with taking out 10" backflow equipment
- Worked on Jeff Sims main pump and motor at his pump house
- Installed new water tank on vac trailer
- Put dirt and grass seed at Harold Beasley's after dig up
- Met with owner of Magic Wand on billing concern – ok
- Assisted with filling City Pool
- Checked leak at Lot 57 – resident
- 18 disconnects for nonpayment
- 11 missed reads for office use
- Read all utility meters for billing

From: Matt Harline, City Administrator
To: Board of Aldermen – PW & PU Committee
Cc: City Clerk & City Attorney
Date: November 6, 2017
Re: Item V-C-1 NPDES Permit renewal update



Item V-C-1. Renewal of the National Pollutant Discharge Elimination System (NPDES) Permit for Centralia.

The City received a revised version of the Preliminary Renewal of our National Pollutant Discharge Elimination System (NPDES). The last permit expired in 2013 and the City has been working with the Missouri Department of Natural Resources (DNR) staff on the renewal in bits and pieces ever since the last permit expired. The permit document including illustrations and appendices is 36 pages long and covers all the elements of the City's waste water treatment operation. The City has until November 14th to make comment on "non-substantive drafting errors and any other technical comments, prior to having the Draft Permit sent out for Public Notice and comment.

The new draft has been updated to include the remapped blue lines that allow the City to continue our Public-Private Partnership with the three farm families without any major modifications. This symbiotic arrangement has kept the sewer bills low for Centralia residents for decades, while protecting the natural environment. The permit allows the City four years to achieve the enhanced requirements for *E coli* levels and ammonia levels in the effluent. These improvements to the system will require investments by the City and therefore higher sewer bills.

In the next week or so we expect the final agreement to be brought forward by DNR on the SCEAP grant and those funds will cover the expenses of engineering and drafting the plan on which we will base our bond issue.

Mike Forsee, Gary Davis of Bartlett and West and I are reviewing this draft to make comments in time for the November 14th deadline. We are still on schedule to place a ballot issue before the voters in April.

**Electric Department
Activity Report
April 2018**

- Cards- 21
- Locates- 71
- Disconnects- 16
- Rereads- 35
- Disconnected and reconnected service drop for tree trimmers at 407 South Allen, 411 South Collier, 779 West Doty and 202 South Howard Burton.
- Installed new services at 232 South Adams and 1311 East Highway 22.
- Installed Temporary service at 606 Jason Court.
- Pulled in primary wire at 789 East Gano Chance and energized transformer for new house.
- Disconnected 103 South Barr for a house fire.
- Replaced meter pedestal at 539 East Gano Chance.
- Repaired connections at 435 South Rollins Street at the house.
- Repaired street lights at 515 East Booth, School zone light at South Rollins Street and West Lakeview Street, last decorative street light on Jefferson Street at Cox Street and 700 North Jefferson Street.
- Disconnected service at East Railroad Street and North Rollins Street.
- Set five new poles on North Jefferson Street and transferred wires, street lights and Transformer.
- The City Of Centralia and Missouri Public Utility Alliance were represented in Jefferson City by Clayton Crump and Matt Fadler on April 9th for Line Worker appreciation day.

City of Centralia: Summary Table - ALL Measures

Select	ECM Description	Energy Savings	O&M Savings	Avoided Future Cost Svgs	Total Annual Savings	Turnkey Installed Cost	Simple Payback
	LIGHTING IMPROVEMENTS - LED INTERIOR	\$4,308	\$646	\$0	\$4,955	\$54,992	11.1
x	City Hall	\$1,368	\$205	\$0	\$1,574	\$14,354	9.1
x	Fire Station	\$334	\$50	\$0	\$384	\$4,758	12.4
x	Library	\$1,409	\$211	\$0	\$1,620	\$14,099	8.7
x	Rec Center	\$1,197	\$180	\$0	\$1,377	\$21,781	15.8
x	LIGHTING IMPROVEMENTS - STREET LIGHTING	\$12,620	\$1,893	\$0	\$14,513	\$134,150	9.2
	WATER EFFICIENCY IMPROVEMENTS	\$940	\$66	\$0	\$1,006	\$24,435	24.3
x	City Hall	\$126	\$29	\$0	\$155	\$8,090	52.2
x	Fire Station	\$37	\$12	\$0	\$49	\$3,580	73.1
x	Library	\$97	\$6	\$0	\$103	\$2,946	28.6
x	Police Department	\$58	\$2	\$0	\$60	\$1,026	17.1
x	Rec Center	\$622	\$17	\$0	\$639	\$8,793	13.8
	BUILDING INFILTRATION IMPROVEMENTS	\$3,632	\$0	\$0	\$3,632	\$30,631	8.4
x	CityHall/PoliceDepartment	\$1,908	\$0	\$0	\$1,908	\$18,372	9.6
x	Fire Station	\$977	\$0	\$0	\$977	\$8,315	8.5
x	Library	\$477	\$0	\$0	\$477	\$1,066	2.2
x	Rec Center	\$269	\$0	\$0	\$269	\$2,878	10.7
	WIFI THERMOSTATS	\$3,379	\$0	\$0	\$3,379	\$11,523	3.4
x	City Hall	\$1,011	\$0	\$0	\$1,011	\$3,105	3.1
x	Fire Station	\$564	\$0	\$0	\$564	\$1,863	3.3
x	Library	\$383	\$0	\$0	\$383	\$2,829	7.4
x	Police Department	\$347	\$0	\$0	\$347	\$621	1.8
x	Rec Center	\$1,074	\$0	\$0	\$1,074	\$3,105	2.9
	DESTRATIFICATION FANS	\$1,734	\$0	\$0	\$1,734	\$18,185	10.5
x	Rec Center	\$1,734	\$0	\$0	\$1,734	\$18,185	10.5
	RETROCOMMISSIONING	\$0	\$0	\$0	\$0	\$34,081	NA
x	City Hall	\$0	\$0	\$0	\$0	\$34,081	NA
	GENERAL CONSTRUCTION IMPROVEMENTS	\$0	\$0	\$0	\$0	\$81,715	NA
x	City Hall	\$0	\$0	\$0	\$0	\$81,715	NA
x	EMS Opt, Energy Guides & EB Training/Tools	\$0	\$0	\$0	\$0	\$0	NA

City of Centralia: Summary Table - HOLISTIC PROJECT

Select	City of Centralia: Summary Table - HOLISTIC PROJECT ECM Description	Energy Savings	O&M Savings	Avoided Future Cost Svgs	Total Annual Savings	Turnkey Installed Cost	Simple Payback
	LIGHTING IMPROVEMENTS - LED INTERIOR	\$2,900	\$435	\$0	\$3,334	\$40,893	12.3
x	City Hall	\$1,368	\$205	\$0	\$1,574	\$14,354	9.1
x	Fire Station	\$334	\$50	\$0	\$384	\$4,758	12.4
x	Rec Center	\$1,197	\$180	\$0	\$1,377	\$21,781	15.8
x	LIGHTING IMPROVEMENTS - STREET LIGHTING	\$12,620	\$1,893	\$0	\$14,513	\$134,150	9.2
	WATER EFFICIENCY IMPROVEMENTS	\$0	\$0	\$0	\$0	\$0	NA
	BUILDING INFILTRATION IMPROVEMENTS	\$3,155	\$0	\$0	\$3,155	\$29,565	9.4
x	CityHall/PoliceDepartment	\$1,908	\$0	\$0	\$1,908	\$18,372	9.6
x	Fire Station	\$977	\$0	\$0	\$977	\$8,315	8.5
x	Rec Center	\$269	\$0	\$0	\$269	\$2,878	10.7
	WIFI THERMOSTATS	\$2,996	\$0	\$0	\$2,996	\$8,694	2.9
x	City Hall	\$1,011	\$0	\$0	\$1,011	\$3,105	3.1
x	Fire Station	\$564	\$0	\$0	\$564	\$1,863	3.3
x	Police Department	\$347	\$0	\$0	\$347	\$621	1.8
x	Rec Center	\$1,074	\$0	\$0	\$1,074	\$3,105	2.9
	DESTRATIFICATION FANS	\$1,734	\$0	\$0	\$1,734	\$18,185	10.5
x	Rec Center	\$1,734	\$0	\$0	\$1,734	\$18,185	10.5
	RETROCOMMISSIONING	\$0	\$0	\$0	\$0	\$9,494	NA
x	City Hall	\$0	\$0	\$0	\$0	\$9,494	NA
	GENERAL CONSTRUCTION IMPROVEMENTS	\$0	\$0	\$0	\$0	\$0	NA
x	EMS Opt, Energy Guides & EB Training/Tools	\$0	\$0	\$0	\$0	\$0	NA
	Project Contingency (2.5% for Unforeseen Conditions)					\$6,025	
	Abatement / Repair Allowance					\$0	
	Payment & Performance Bonds					\$7,229	
	PROJECT TOTALS (for selected measures)	\$23,404	\$2,328	\$0	\$25,732	\$254,235	9.9
	IGA audit fee for all City Buildings (less Library)					\$1,936	
	Total for all City Buildings + Street lighting (less Library)					\$256,171	

Turnkey Installed Cost: Guaranteed Cost - 100% of Design and Installation Costs

Labor, Material, Ancillary Costs, Payment & Performance Bonds, Energy & Design Engineering, Project (ESP handles all subcontracts & invoicing, etc.) and On-site Construction Management, System Commissioning, Training, Measurement & Verification, ESP Overhead & Profit

City of Centralia - Potential Cash Flow for Energy Performance Contract Project (Holistic Project)

Project Costs

Energy Measures Installed Cost	\$	254,235
Investment Grade Audit Fee	\$	1,936
Conduit Closing Costs / Legal Fees	\$	-
Capital Contribution	\$	-

Projected Annual Savings

Utility Cost Savings	\$	23,404
O&M Svgs	\$	2,328

Total Annual Savings	\$	28,213
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Net Capitalized Costs

\$	256,171
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Annual Costs

Avoided Future Costs	\$	-
On-Going Technical Services &/or ECT	\$	-

Finance Factors

Term	15.0 years
Rate (Range 3% - 4%)	3.90%
Escalation Rate	2.0%
Energy Escalation Rate	2.0%

YEAR	PROJECTED UTILITY COST SAVINGS	GUARANTEED UTILITY COST SAVINGS	OPER & MAINT / AVOID. FUTURE COST SAVINGS	TOTAL FUNDS AVAILABLE	DEBT SERVICE	ON-GOING TECHNICAL SERVICE FEE	GUARANTEED PROGRAM COST	ACCUMULATED CASH FLOW
Interim	TBD	TBD	TBD	TBD	TBD	TBD	TBD	\$0
1	\$23,404	\$22,234	\$2,328	\$24,562	\$22,880	\$0	\$22,880	\$2,853
2	\$23,873	\$22,679	\$2,374	\$25,053	\$22,880	\$0	\$22,880	\$6,220
3	\$24,350	\$23,133	\$2,421	\$25,554	\$22,880	\$0	\$22,880	\$10,112
4	\$24,837	\$23,596	\$2,469	\$26,065	\$22,880	\$0	\$22,880	\$14,538
5	\$25,334	\$24,068	\$2,518	\$26,586	\$22,880	\$0	\$22,880	\$19,511
6	\$25,841	\$24,549	\$2,568	\$27,117	\$22,880	\$0	\$22,880	\$25,040
7	\$26,358	\$25,040	\$2,619	\$27,659	\$22,880	\$0	\$22,880	\$31,138
8	\$26,885	\$25,541	\$2,671	\$28,212	\$22,880	\$0	\$22,880	\$37,814
9	\$27,423	\$26,052	\$2,724	\$28,776	\$22,880	\$0	\$22,880	\$45,082
10	\$27,971	\$26,573	\$2,778	\$29,351	\$22,880	\$0	\$22,880	\$52,951
11	\$28,530	\$27,104	\$2,834	\$29,938	\$22,880	\$0	\$22,880	\$61,436
12	\$29,101	\$27,646	\$2,891	\$30,537	\$22,880	\$0	\$22,880	\$70,548
13	\$29,683	\$28,199	\$2,949	\$31,148	\$22,880	\$0	\$22,880	\$80,301
14	\$30,277	\$28,763	\$3,008	\$31,771	\$22,880	\$0	\$22,880	\$90,706
15	\$30,883	\$29,338	\$3,068	\$32,406	\$22,880	\$0	\$22,880	\$101,778
16	\$31,501	\$29,925	\$0	\$29,925	\$0	\$0	\$0	\$133,279
17	\$32,131	\$30,524	\$0	\$30,524	\$0	\$0	\$0	\$165,410
18	\$32,774	\$31,134	\$0	\$31,134	\$0	\$0	\$0	\$198,184
19	\$33,429	\$31,757	\$0	\$31,757	\$0	\$0	\$0	\$231,613
20	\$34,098	\$32,392	\$0	\$32,392	\$0	\$0	\$0	\$265,711
TOTALS:	\$568,683	\$540,247	\$40,220	\$580,467	\$343,193	\$0	\$343,193	\$265,711

Notes:

- 1) ESP guarantees savings will be available to cover total annual program costs, 100% of excess savings used at Client's discretion.
- 2) Escalation rates are conservative estimates to reflect increased utility and maintenance costs/savings over time.
- 3) Maintenance savings represent reduced replacement for lighting/mechanical equip. & outsourced maintenance.

<u>City Buildings in Centralia MO</u>	Energy Saving Project	
Energy Solutions Professionals Project Pricing Breakdown	Project Costs	% of Total Project Cost
CONSTRUCTION COSTS	\$ 209,798	82.5%
Material & Labor (Quotes from from Subcontractors + P&P Bond	\$ 181,473	71.4%
ESP Internal Contingency (For ESP-Missed Unforeseen Connditions)	\$ 6,025	2.4%
System Commissioning & Training (Site-Specific/Hands-On)	\$ 6,250	2.5%
Construction Management (Full-Time On-Site Manager)	\$ 16,050	6.3%
PROFESSIONAL SERVICES COSTS	\$ 27,292	10.7%
Energy & Design Engineering	\$ 12,885	5.1%
Project Management	\$ 9,935	3.9%
M&V (Prescriptive End-Use Approach)	\$ 4,472	1.8%
ESP FEES	\$ 17,145	6.7%
Overhead	\$ 7,095	2.8%
Profit	\$ 10,050	4.0%
Total Turnkey Installed Cost	\$254,235	100.0%

Open Booked Pricing for Energy Conservation Project

Notes:

1) Construction Costs consist of Material & Labor, based upon firm fixed pricing (FFP) from subcontractors, and Professional Services required to fulfill scope.

For pricing shown above, the **Turnkey Installed Cost** is a Guaranteed Max value that is derived from competitive bids secured from multiple subcontractors.

2) ESP provides Guaranteed Max pricing that ensures no subcontractor/ESP initiated change-orders. You are guaranteed the project will be done within the budget proposed.

We carry 2%-5% (depending on complexity of project) Contingency for any unforeseen conditions that may arise, and this reverts to ESP if it is not needed.

3) Full-time onsite construction management presence will be provided. This person will coordinate all construction activities between subs, the City and ESP.

Our experience has shown that effective CM can have dramatic - positive - impact on project results.

4) ESP provides Performance & Payment Bonds for 100% of the project cost (identified in ECM Summary Table).

5) The Professional Service Costs include engineering, Project Management and Measurement & Verification associated with developing, implementing & proving results.

Centralia will have a single contract with ESP, and our Project Manager would manage all other subcontracts, scheduling, invoicing, permitting and so-forth.

SCHEDULE A

TERMS AND CONDITIONS

RECITALS

WHEREAS, Client owns and operates the facilities described in *Schedule B (Client Premises)* (“Premises”), and is in need of energy saving and facility improvement services designed to reduce utility consumption and associated costs at said Premises;

WHEREAS, ESCO has completed a comprehensive study (the “Investment Grade Audit” which is attached hereto as *Schedule P*) of the Premises under a separate contract and is willing to design and install certain facility improvement measures (the “Equipment”), and measure their performance;

WHEREAS, Client desires to retain ESCO to provide services for the design and installation of certain equipment of the type or class described in *Schedule C (Scope of Work)*, and to provide other services for the purpose of achieving cost reductions within Premises, as more fully set forth herein; and

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, Client and ESCO hereto covenant and agree as follows:

SECTION 1. DEFINITIONS

- 1.1 “**Actual Utility Savings**” shall mean the amount of annual Utility Savings accruing to the Client after the Guarantee Commencement Date as calculated by the ESCO using the processes and procedures described in Schedule G.
- 1.2 “**Baseline**” shall mean the representative energy use during a twelve (12) calendar month period of the Premises' pre-retrofit energy consumption and the variables that contribute to that consumption as specified in *Schedule E (Baseline Energy Consumption)*.
- 1.3 “**Change Order**” shall mean a document signed by ESCO and Client reflecting an agreement between the parties changing the Work, the Contract Sum, or adjusting the schedule set forth in Schedule J.
- 1.4 “**Client**” shall mean the owner and its duly authorized agents and employees. The address of Client is 114 South Rollins, Centralia, MO 65240
- 1.5 “**Construction Period**” is the period beginning with the first day that Equipment is first installed and continuing until the Guarantee Commencement Date.
- 1.6 “**Construction Period Savings**” shall mean the Total Actual Savings that occurs during the Construction Period.
- 1.7 “**Contract**” shall mean the Energy Performance Contract and shall include all schedules attached thereto.
- 1.8 “**Contract Start Date**” shall mean the date the Contract is fully executed and is in full force and effect.
- 1.9 “**Contract Sum**” shall mean the total contract price(s) payable to ESCO as detailed in *Schedule D (Compensation to ESCO)*.

- 1.10 “**Day**” or “**days**”, unless otherwise expressly defined in the Contract, shall mean a calendar day or days of twenty-four (24) hours each.
- 1.11 “**Debt Service**” shall mean the Client’s total annualized cost for the Work spread over the Term as more fully described in Section 3.1, including, if applicable, all interest and principal payments, or all lease payments, as stated on an annual basis in Schedule H.
- 1.12 “**Equipment**” shall be the equipment to be installed on the Premises as described in ***Schedule C (Scope of Work)***.
- 1.13 “**ESCO**” shall mean Energy Solutions Professionals, LLC, and its duly authorized agents, contractors and employees. The mailing address of Energy Solutions Professionals, LLC is 9218 Metcalf Ave, Suite 274, Overland Park, KS 66212.
- 1.14 “**Final Completion**” shall mean the date the Project is fully completed including completion of all punch list items, and the documents identified in ***Schedule N (Project Closeout Documents)*** have been delivered to Client as mutually agreed by Client and ESCO, all of which is evidenced by the execution of a Certificate of Final Completion per ***Schedule M (Certificates of Completion)***.
- 1.15 “**Guarantee Commencement Date**” shall mean the first day of the first month following the date of Final Completion.
- 1.16 “**Guarantee Year**” is each successive one year period following the Guarantee Commencement Date, plus, if applicable, the Construction Period which is noted as Guarantee Year 0 on Schedule F), which period may be longer than 12 months.
- 1.17 “**Guaranteed Utility Savings**” shall mean the amount of annual Utility Savings calculated by the ESCO and shown on Schedule F.
- 1.18 “**Lease Agreement**” shall mean the agreement between the Client and the third party financier/leasing company, if any.
- 1.19 “**Operational Savings**” shall mean those non-utility savings resulting from the implementation of energy conservation measures at the Premises (e.g., costs for parts, outsourced repair/maintenance, service agreements, etc.) and/or those non-utility savings resulting from the Client not incurring those costs at a later date by having the cost of those improvements included in this Contract, and/or planned or budgeted expenses for the replacement or addition of systems or equipment that would have occurred had the Work not been performed, and are agreed to at contract execution. Operational Savings, if any, are shown in ***Schedule F, Energy Savings Guarantee***.
- 1.20 “**Premises**” shall mean the property upon which the Project is being constructed as identified in ***Schedule B***.
- 1.21 “**Project**” shall be the construction and installation of Equipment described in the Scope of Work as set out in ***Schedule C*** for the facilities described in ***Schedule B (Premises)***.
- 1.22 “**Savings Guarantee**” is an amount each year equal to the lesser of the annual Total Guaranteed Savings for that year as shown on Schedule F, or Client’s annual Debt Service for that year as shown on Schedule H. If the Debt Service on Schedule H is shown as zero, the Savings Guarantee shall be the Total Guaranteed Savings.

- 1.23 “**Substantial Completion**” shall mean the date determined by the ESCO and mutually agreed to by Client when the Work or designated portion thereof is complete in accordance with the Contract, so the Client may beneficially utilize the equipment and occupy the Premises or designated portion thereof for its intended use. Execution of a Certificate of Substantial Completion per **Schedule M (Certificates of Completion)** shall signify Substantial Completion.
- 1.24 “**Term**” shall mean the duration of the Contract as stated in Schedule F, commencing on the Guarantee Commencement Date.
- 1.25 “**Total Actual Savings**” shall mean the total of all Actual Utility Savings and Operational Savings.
- 1.26 “**Total Guaranteed Savings**” shall mean the total of all Guaranteed Utility Savings and Operational Savings.
- 1.27 “**Work**” shall mean the labor, materials, equipment, and services furnished by the ESCO under the Contract to complete the ESCO’s obligations detailed in **Schedule C (Scope of Work)**.
- 1.28 “**Utility Savings**” shall mean electric energy reduction, fossil fuel energy reduction (e.g., natural gas, propane, fuel oil, etc.) and water and sewer reduction, etc., as calculated per Schedule G.

SECTION 2. **PRINCIPAL TERMS**

ESCO agrees to perform the Work described herein and guarantee the savings described herein in exchange for Client's agreement to pay ESCO the compensation described in **Schedule D** hereto in the amounts and manner described in **Schedule D**.

SECTION 3. **FINANCIAL INFORMATION**

- 3.1 It is hereby agreed by ESCO and the Client that ESCO’s obligation to perform under this Contract is expressly contingent upon the Client securing financing or furnishing reasonable evidence satisfactory to ESCO that the Client has adequate funds available and allocated to fulfill Client’s obligations under the Contract. Upon execution of this Contract, the Client will have thirty (30) days to furnish evidence of such financing or funds. If financing is not secured within such period, this Contract may be terminated by ESCO or the Client and the Client shall immediately pay the cost of the Investment Grade Audit unless the Parties mutually agree in writing to extend such period. The annual payments due on such financing, or the total annual lease payments if financing is obtained through a Lease Agreement, shall be stated on Schedule H as the Debt Service.
- 3.2 If Client is entering into a Lease Agreement to finance the Work, a copy of the Lease Agreement shall be attached to this Contract as part of **Schedule H (Funding)**. In the event the Lease Agreement is terminated because of Client’s default or non-payment of the same, this Contract shall immediately terminate and ESCO will have no further obligations to Client hereunder.

SECTION 4. **DUTIES**

4.1 **ESCO Duties.**

(a)**Performance of the Work.** ESCO shall install the Equipment and perform the Work in the manner set forth herein. ESCO shall proceed in accordance with the construction schedule set out in **Schedule J**.

(b)**Training by ESCO.** ESCO shall deliver detailed operations and maintenance manuals and also conduct the training program described in **Schedule K**, which shall be completed prior to acceptance of the Work by Client. ESCO agrees that Client may video or otherwise record any training for its own use.

4.2 Client Duties.

(a) Service by Client. Except for any maintenance obligations reserved to the ESCO as stated in ***Schedule L (Maintenance Responsibilities)***, Client shall be responsible for maintaining the Equipment. Client shall operate service and maintain the Equipment in the manner required by the ESCO and in the manner required by the manufacturer of the Equipment as set out in the Operations and Maintenance manuals delivered to Client. Client shall notify ESCO as soon as reasonably possible if it knows of (a) any material malfunction in the operation of the Equipment, (b) the existence of any emergency or dangerous condition affecting the Equipment, or (c) any interruption or alteration of the energy supply to the Premises.

(b) Client shall ensure that the Equipment is operated in a manner that results in the Premises conforming to the Standards of Comfort in Schedule I and otherwise in accordance with the energy conservation procedures established by the ESCO.

(c) Maintenance of Premises and Existing Systems. Client agrees to maintain the Premises and all existing mechanical systems, equipment and other energy consuming systems located on the Premises in good repair, in the same condition or better condition, reasonable wear and tear excepted, as existed prior to construction of the Project, and to protect and preserve the building envelope and the operating condition and standard of performance of all mechanical systems, equipment and other energy consuming systems located on the Premises. Client's maintenance obligations under this Section 4.2(c) shall include, but not be limited to, the specific requirements set out on Schedule L, if any. Client may not remove, alter or change in any material way the Equipment, or any part thereof, without first consulting ESCO, except in an emergency.

(d) Client agrees that ESCO shall have the right to periodically, with prior notice, inspect the Premises to determine if Client is complying with its obligations as set forth above in this Section 4.2. Client shall make the Premises available to ESCO for and during each inspection, and shall have the right to witness each inspection or record any inspection and any measurements taken or records made.

SECTION 5. ESCO GUARANTEE

5.1 Guarantee. The ESCO guarantees to Client that the Total Actual Savings each year will exceed the Savings Guarantee after all adjustments allowed in this Contract. Client agrees that the amount by which the Total Actual Savings in any year exceeds the Savings Guarantee for that year shall be carried forward to the succeeding year such that the Savings Guarantee for the succeeding year shall be reduced by that amount. If there is no Savings Guarantee for the Construction Period, the Total Actual Savings for the Construction Period shall be added to the Total Actual Savings for year 1 in determining whether the Savings Guarantee has been met in year 1.

5.2 Measurement and Verification of Savings. The ESCO will determine the annual Total Actual Savings. ESCO will utilize the processes and procedures described in Schedule G to calculate the annual Total Actual Savings. The rates identified in Schedule F are then applied to these savings values to determine the associated dollar savings amount, which will then be compared to the Savings Guarantee – on an individual energy conservation measure and aggregate savings basis. The measured parameter(s), the number of times and/or duration of measurements, and the quantity of devices to be measured are specified in Schedule G.

1. If the calculation that is based upon measured criteria demonstrates that the Savings Guarantee has been met or exceeded for each individual measure, then no further calculations are necessary. In this case, ESCO will tabulate the measurements and computed savings into a report and deliver the same to Client.
2. In the event that the measurement-based computations indicate that the Savings Guarantee has not been achieved for an individual energy conservation measure, the ESCO will calculate an aggregate savings for all measures, and determine whether the aggregate savings meets or exceeds the Savings Guarantee. If the aggregate savings meets or exceeds the Savings Guarantee the ESCO will tabulate all measurements and calculations into a report and deliver the same to Client.
3. In the event that measurement-based calculated aggregate savings does not meet or exceed the Savings

Guarantee, the ESCO shall pay the Client the amount of the savings shortfall on an annual basis at the anniversary of the Guarantee Commencement Date for as long as the savings shortfall persists; said payment to be made within 60-days of the anniversary of the Guarantee Commencement Date.

- a. Client, at its discretion, may elect to have ESCO provide services, in lieu of receiving a payment for the savings shortfall.
 - b. ESCO, at its discretion, may:
 1. Implement field adjustments and/or equipment modifications or replacements (at the ESCOs cost) that facilitate bringing the field measurement calculations to a level that ensures the Savings Guarantee is achieved in future years
 - a) ESCO will, at its cost, take additional measurements and readings to prove the results of any such adjustments, modifications or replacements, and Client may witness the measurements.
 - b) Any adjustments, modifications and/or equipment replacements will meet the Standards of Comfort in ***Schedule I***, and may not adversely affect the operation of the Client equipment or facilities.
 2. Or, in lieu of making adjustments and taking additional measurements, ESCO may present-value the savings shortfall for the Term and make one payment to finalize all of ESCO's Contract obligations.
- 5.3 If Client fails to materially comply with its duties under Section 4.2 hereof or Client takes other action for which the Savings Guarantee may be changed hereunder, the Savings Guarantee shall be reduced by the cost of the excess energy consumed by Client as a result of its failure. The amount of the reduction shall be determined by the ESCO. ESCO will not be responsible under the Savings Guarantee for any loss of Total Actual Savings due to a material malfunction in the operation of the Equipment, an alteration of energy supply to the Premises, or any failure of Client to fulfill all terms of this Contract.
- 5.4 Independent Audit. If Client disputes any calculation by the ESCO in determining the Total Actual Savings or any adjustments to the Savings Guarantee under this Section 5, Client shall be required to obtain an independent audit of the calculations used by the ESCO in making such determinations. In such case, the Client and ESCO shall mutually agree upon an independent auditor to complete the audit. The audit shall follow all methods, procedures, calculations and formulas identified in this Contract, and the auditor shall submit its findings to the parties in a written report, which findings shall be deemed final for purposes of determining the annual Total Actual Savings and any Savings Guarantee adjustment. If the audit determines that the Total Actual Savings are equal to or greater than those calculated by the ESCO, then the Client shall pay the cost of the audit. If the audit determines that the Total Actual Savings are less than those calculated by the ESCO, then the ESCO shall pay the cost of the audit. If either party disputes the results of the audit, they may use the remedies identified in Section 16.

SECTION 6. ESCO COMPENSATION AND FEES.

- 6.1 The Client agrees to pay compensation to ESCO for the Work and any other energy services provided through this Contract in the amount set forth in ***Schedule D (Compensation to ESCO)***.
- 6.2 Billing Information Procedure. Payments due to ESCO shall be calculated in accordance with the completion of the Work in this Contract and compensated as defined in ***Schedule D (Compensation to ESCO)*** in the following manner:
- (a) Payment for the IGA. Payment for the IGA will be invoiced upon the signing of this Contract.

- (b) Progress Payment Application. By no later than the 5th day of each month, ESCO shall submit an application for payment (the "Payment Application") to the Client; each application will represent the amount of Equipment purchased by ESCO and the Work completed through the end of the previous month less the amounts requested in previous Payment Applications. The Payment Application shall subtract the correct amount of Retainage. Each Application for Payment shall be accompanied by partial lien waivers from ESCO and its subcontractors.
 - (c) Final Payment Application. Upon execution of Final Completion, ESCO shall submit a final application for payment (the "Final Payment Application") to the Client; Final Payment Application will represent the amount of all Equipment purchased by ESCO and the Work completed that was not included in previous Payment Applications as well as the amount of Retainage that has not been billed in previous Payment Applications. The Application for Final Payment shall be accompanied by final lien waivers from the ESCO and its subcontractors.
- 6.3 Payment. The ESCO's invoice shall be due and payable within thirty days of Client's receipt of the same. If the ESCO's invoices are not paid within 30 days, a \$150 late fee will be assessed.
- (a) If Client reasonably disputes some or all of the ESCO's invoice, Client must pay the undisputed portion of the invoice per above and notify ESCO in writing, within seven (7) days of receipt of the invoice, of its disagreement with the invoice and describe to ESCO with reasonable detail its basis for its disagreement. Within seven (7) days of Client's notification of disagreement with an invoice, Client and ESCO shall meet at the site or other agreeable location to discuss and resolve issues concerning the invoice. Payment shall be due within 20 days of resolution of the disputed portion of the invoice.
 - (b) Client is not in breach of its obligations to make payment to ESCO if the basis for non-payment is the lender's failure to fund due to inadequacies in the Work performed by ESCO or the failure to provide lien waivers, and not due to the act or omission of the Client.
- 6.4 Retainage. Client shall retain five (5%) percent of each progress payment application. Upon Substantial Completion, Retainage will be reduced to one-half (1/2%) percent of the Contract Sum, and ESCO will invoice and Client will pay all Retainage in excess of one-half (1/2%) percent of the Contract Sum. Client will pay ESCO the final one-half (1/2%) percent Retainage upon Final Completion.
- 6.5 Late Payment. Amounts not paid to ESCO when due will accrue interest at the rate of 12% per annum from the due date until the amount due is paid in full.

SECTION 7. PERMITS AND APPROVALS; COORDINATION

- 7.1 Permits and Approvals. Client shall use its best efforts to assist ESCO in obtaining all necessary permits and approvals for installation of the Equipment. In no event shall Client be responsible for payment of any permits. The equipment installed by ESCO shall conform to all federal, state and local code requirements. ESCO shall furnish copies of each permit or license which is required to perform the Work to the Client before ESCO commences the portion of the Work requiring such permit or license.
- 7.2 Coordination. Client and ESCO shall coordinate the activities of ESCO's equipment installers with those of the Client, its employees, and agents. ESCO shall not commit or permit any act which will interfere with the performance of business activities conducted by the Client or its employees without prior written approval of the Client.

SECTION 8. EQUIPMENT

- 8.1 Ownership of Existing Equipment Ownership of the equipment and materials existing at the Premises at the time of execution of this Contract shall remain the property of the Client even if it is replaced or its operation made unnecessary by work performed by ESCO pursuant to this Contract. If applicable, ESCO shall advise the Client in writing of all equipment and materials to be replaced at the Premises and the Client shall have

thirty days to designate in writing to ESCO which equipment and materials that are not to be disposed of off-site by ESCO. It is understood and agreed to by both Parties that the Client shall be responsible for and designate the location and storage for any equipment and materials that are not be disposed of off-site. ESCO shall be responsible for the disposal of all equipment and materials not designated by the Client for retention in accordance with all applicable laws and regulations regarding such disposal. If Client fails to make any designation regarding disposal of equipment and materials within the required thirty days, the ESCO may dispose of all equipment and materials off-site.

- 8.2 New Equipment. All Equipment and materials incorporated in the Work shall become the property of the Client upon installation. The ESCO warrants to the Client that materials and equipment furnished under the Contract will be of good quality and new unless the Contract Documents require or permit otherwise. The ESCO further warrants that the Equipment will conform to the requirements of the Contract Documents and will be free from defects.
- 8.3 Startup and Equipment Commissioning. At Substantial Completion, the ESCO shall conduct a thorough and systematic performance test of each element of the installed Equipment to ensure that the Equipment operates in the manner necessary to achieve the Standards of Comfort in ***Schedule I***. The ESCO shall provide notice to the Client of the scheduled test(s) and the Client and/or its designees shall have the right to be present at any or all such tests conducted by ESCO and/or manufacturers of the Equipment, as well as to video or otherwise record the testing. ESCO shall be responsible for correcting and/or adjusting all deficiencies in the Equipment that may be observed during Equipment commissioning procedures.
- 8.4 Storage, location, and access. Client shall provide mutually satisfactory rent-free space for storing the Equipment and materials, for installation and operation of the Equipment, and for completing the Work. Client shall protect the Equipment and materials in the same careful manner that Client protects its own property, and Client shall be responsible for any loss or damage to the same caused by the Client or its agents. Client shall provide access to the Premises for ESCO and its contractors or subcontractors during regular business hours, or such other hours as may be requested by ESCO and reasonably acceptable to Client, to adjust, inspect, maintain and repair the Equipment and to otherwise complete the Work and other duties and responsibilities under this Contract. ESCO shall have free access to the Premises to correct any emergency condition.
- 8.5 Service by ESCO. If Client requests ESCO to perform maintenance or repairs for any reason other than ESCO's failure to perform its duties and obligations under the Contract, including but not limited to any act, error, omission, negligence or willful misconduct of Client or any employee or other agent of Client, ESCO has the right to charge Client for the reasonable and customary time and materials cost of maintenance or repair.
- 8.6 Upgrading or Altering of Equipment by ESCO. ESCO shall have the right at all times during construction and measurement & verification period, subject to Customer's prior written approval which shall not be unreasonably withheld, to change the Equipment, revise any procedures for the operation of the Equipment, or implement other energy saving actions in the Premises, provided that:
 - such replacements, modifications, or additions to the Equipment, and any operational changes or new procedures implemented, are necessary to enable the ESCO to achieve the Savings Guarantee at the Premises and;
 - after any such changes, the Equipment will operate in the manner necessary to achieve the Standards of Comfort set forth in ***Schedule I (Standards of Comfort / Operating Parameters)***.

All replacements, deletions, substantial alterations, or additions of equipment or revisions to the prescribed procedures shall be described in an additional schedule to be attached hereto and identified as Schedule C-2 or C-3, and so forth. Replacements, substantial alterations, or additions of Equipment shall belong to and become the property of Client upon installation, and shall be part of the Equipment for purposes of this Contract. Any cost incurred relative to such modifications, additions or replacement of the Equipment, or operational changes or new procedures shall be the responsibility of the ESCO unless they are required by

either unforeseen conditions or Client requested changes to the Scope of Work, in which case the Contract Sum will be adjusted by Change Order. No modifications, additions or replacements of the Equipment shall occur without Client's reasonable consent.

- 8.7 **Damage or Destruction of Equipment.** If after installation any significant item of Equipment or part of the Work is irreparably damaged by casualty or by the negligence or willful misconduct of the Client, its agents, employees, invitees, or guests, Client shall repair or replace said item within a reasonable period of time, not to exceed 120 days, and ESCO will not be responsible for lost Total Actual Savings. If Client fails to repair or replace such damaged Equipment, ESCO may elect to: a) adjust the Savings Guarantee to reflect any reduction in savings associated with the missing or damaged Equipment, or b) terminate this Contract by delivery of a written notice to Client, whereupon both parties shall have no further liability to each other.

SECTION 9. WARRANTIES

ESCO shall provide a one year full parts and labor warranty on the Equipment and the Work from the Substantial Completion Date. Client may have longer warranties on the Equipment as provided in ***Schedule O***. Warranty start and end dates shall be documented and provided to the Client by ESCO at the completion of construction. All manufacturer warranties on the Equipment shall be transferred to and extend to the Client. The warranties shall specify that only new, and not reconditioned parts, may be used and installed when repair is necessitated by malfunction.

SECTION 10. PERFORMANCE BY ESCO

- 10.1 **Performance by ESCO.** ESCO shall complete the Work in such a manner so as not to harm the structural integrity of the Premises or its operating systems. ESCO shall repair and restore to its original condition any area of damage caused by ESCO's performance under this Contract. All costs to repair damage caused by ESCO's performance of the Work shall be borne by ESCO. ESCO shall remain responsible for the professional and technical accuracy of all services performed, whether by the ESCO or its contractors, subcontractors, or others on its behalf, throughout the term of this Contract.
- 10.2 **Standards of Comfort.** The Equipment, when installed, shall perform in the manner necessary to achieve the Standards of Comfort as set forth in ***Schedule I***.

SECTION 11. MATERIAL CHANGE

- 11.1 **Material Change Defined.** A Material Change shall be defined as any change in or to the Premises or the use thereof, whether structural, operational or otherwise in nature, which reasonably could be expected, in the reasonable judgment of the ESCO, to increase or decrease annual energy consumption ("Material Change"). If a Material Change occurs, ESCO shall determine, in its sole discretion, whether the Material Change is temporary ("Temporary Material Change") or permanent ("Permanent Material Change") in nature. Material Change includes but is not limited to, the following changes:
- (a) manner of use of the Premises by the Client;
 - (b) hours of operation for the Premises or for any equipment or energy using systems operating at the Premises;
 - (c) changes in the operation of the Equipment such that the Standards of Comfort set forth in ***Schedule I (Standards of Comfort / Operating Parameters)*** are not complied with;
 - (d) occupancy of the Premises;
 - (e) structure of the Premises;
 - (f) types and quantities of equipment used at the Premises;
 - (g) modification, renovation or construction at the Premises;
 - (h) the Client's failure to properly maintain and repair to the Equipment as required;

- (i) the information provided by Client to the ESCO for use in determining the Baseline is not accurate, as determined by the ESCO; or
 - (j) any other conditions other than climate affecting energy use at the Premises.
- 11.2 Reported Material Changes; Notice by Client: The Client shall use its best efforts to deliver to ESCO a written notice describing all actual or proposed Material Changes in the Premises or in the operations of the Premises which could reasonably be expected to affect energy consumption within the Premises or ESCO's determination of the Baseline. The written notice shall be delivered to the ESCO at least thirty (30) days before any actual or proposed Material Change is implemented, or as soon as practicable after an emergency or other unplanned event or error in the information provided to ESCO for the Baseline is discovered. Notice to ESCO of Material Changes resulting from a bona fide emergency or other situation which precludes advance notification shall be deemed sufficient if given by the Client within thirty (30) days after having actual knowledge that the event constituting the Material Change occurred or was discovered by the Client to have occurred.
- 11.3 Unreported Material Change. If there is a material increase in energy use at the Premises and Client has not reported a Material Change, the increased energy use shall be deemed to be caused by a Material Change, unless Client can establish to the ESCO's satisfaction otherwise.
- 11.4 Effect of Material Changes: ESCO shall determine the excess energy usage caused by the Material Change in accordance with Schedule G, and the Savings Guarantee shall be reduced in an amount determined by ESCO. If in the ESCO's discretion the Material Change is a Temporary Material Change, then an appropriate adjustment will be made to the Savings Guarantee for the current year only. If in the ESCO's discretion the Material Change is a Permanent Material Change, then ESCO will make an appropriate adjustment to the Savings Guarantee for the current year and all future years. If Client disagrees with ESCO's adjustments resulting from a Material Change, Client shall utilize the Independent Audit procedure described in Section 5.4 to contest the same.

SECTION 12. INDEMNIFICATION / LIMITED LIABILITY / INSURANCE / BONDS

- 12.1 Indemnification. ESCO and Client (each an Indemnifying Party) agree to indemnify, defend and hold the other Party and its employees, directors, officers, managers, members shareholder and agents harmless from and against any and all third party claims, actions, costs, expenses, damages and liabilities (including reasonable attorneys' fees) resulting from bodily injury or damage to property of others, arising out of, connected with or resulting from the negligence or misconduct of the Indemnifying Party or its employees or other agents in connection with its activities within the scope of this Contract. If the parties are both at fault, the obligation to indemnify shall be per the applicable state's comparable fault laws. The duty to indemnify will continue in full force and effect notwithstanding the expiration or early termination of this Contract with respect to any claims based on facts or conditions which occurred prior to termination or for a period of two (2) years after such expiration or early termination. It is agreed that in performing the Work, ESCO is not an insurer, and does not guarantee that no damage or injury to persons or property will occur.
- 12.2 Limited Liability. To the extent Client has a claim against ESCO not otherwise covered by insurance, ESCO's total liability to Client for damages or injury to persons or property that may be caused by or arise through performing any obligation under the Contract shall be limited only to losses proximately caused by ESCO's negligence. Notwithstanding any provision in this Contract to the contrary, neither party, nor its officers, employees, agents, or affiliates shall be liable to the other party, its officers, employees, agents, partners, affiliates or contractors, for incidental, indirect, consequential, exemplary, punitive or other special damages, including but not limited to damages for loss of anticipated profits (except as derived from payment or other compensation due for performance hereunder), loss of use or revenue, losses by reason of cost of capital connected with or resulting from any performance or lack of performance hereunder regardless whether a claim is based on contract, tort (including negligence) or theory of strict liability. Neither party shall have any remedy at law or in equity which is inconsistent with any provision of this Contract, and neither party shall have a right to terminate this Contract except as specifically and explicitly set forth in this Contract.

12.3 Insurance

- (a) At all times during the term of this Contract, ESCO shall maintain coverage in full force and effect at its expense, as identified in (1) through (4) below:
 - (1) General Liability Insurance, with Client named as an additional insured: \$2,000,000 aggregate, \$1,000,000 per occurrence.
 - (2) Installation Floater on Equipment on premises: \$2,000,000 limit per location and per disaster.
 - (3) Workmen's Compensation Insurance sufficient to cover all of the employees of ESCO working to fulfill this Contract.
 - (4) Professional Liability Insurance (Errors & Omissions Insurance): \$1,000,000 aggregate, \$1,000,000 per occurrence.
- (b) Prior to commencement of the Work under this Contract, ESCO will be required to provide Client with current certificates of insurance specified above.
- (c) ESCO shall notify client at least thirty (30) days prior to any change or cancelation of the coverage afforded under the policies.
- (d) Upon Substantial Completion, Client shall provide ESCO with evidence of insurance on the property installed.
 - (1) In the event of a casualty that damages or destroys installed Equipment or completed Work, Client shall utilize proceeds from Client's own insurance to pay the ESCO to restore the damaged Work and replace the damaged Equipment.
 - (2) In such case, the parties shall execute a mutually agreed Change Order extending the completion date in Schedule J, and increasing the Contract Sum in an amount to cover the ESCO's cost in performing such work.

- 12.4 Performance and Payment Bonds: Prior to commencing the Work, ESCO shall provide a Performance Bond and a statutory/public works Payment Bond each in the sum of one hundred percent (100%) of the Contract Sum. The Performance Bond shall apply to the performance of the Work, and the Payment Bond shall apply to and cover those providing labor, materials, equipment, supplies and services in connection with the performance of the Work. The Bonds shall be maintained in full force and effect until Final Completion. The bonds are not being furnished to cover the performance of any energy guaranty or guaranteed savings under this Contract, and exclude any work, warranties, performance guarantees, etc. not identified in this Contract. Client agrees that upon Final Completion, the Performance and Payment Bonds shall be released and all obligations arising thereunder shall be terminated.

SECTION 13. HAZARDOUS MATERIALS; DIFFERING SITE CONDITIONS

- 13.1 Hazardous Materials. Client recognizes that in connection with the Work, ESCO may encounter, but is not responsible for, (a) asbestos and materials containing asbestos, (b) pollutants, petroleum, urea formaldehyde, hazardous wastes, hazardous materials or contaminants, (c) lamps and ballasts containing PCB's & DEHP, (collectively, clauses (a), (b) and (c) constitute "Hazardous Materials"), and (d) the storage, handling, use, transportation, treatment, or the disposal, discharge, leakage, detection, removal or containment thereof. The materials and activities listed in the foregoing sentence are referred to as "Excluded Materials and Activities." Client acknowledges that Client is the sole generator of any Excluded Materials and Activities and is solely responsible for every aspect of the Excluded Materials and Activities. Client agrees that if performance of Work involves any Excluded Materials and Activities, ESCO may perform or arrange for the performance of

such Work but Client shall bear the sole risk and responsibility therefore. Furthermore, in handling any of Client's property, including, without limitation, Client's lighting ballasts that may contain PCBs or DEHP and Clients fluorescent tubes, ESCO does not take title to any such property, nor does ESCO assume any responsibility for the storage, handling, use, transportation, treatment, disposal, discharge, leakage, detection, removal or containment of such property. Client shall be solely responsible for disposing of its Hazardous Materials in a timely manner and in accordance with all federal, state and local laws, statutes and regulations applicable thereto. At ESCO's option, certain costs associated with Work related to Excluded Materials and Activities necessary for the implementation of the Equipment may be included in the Contract Sum, notwithstanding the fact that such costs are the responsibility of Client and shall be incurred by Client. In furtherance of the foregoing Client agrees to release, indemnify, defend and hold harmless ESCO, its directors, consultants, contractors, and officers, agents, assignees and employees of and from all costs, claims, damages and liability arising out of or relating to Excluded Materials and Activities, acts or omissions of ESCO or third parties relating thereto, or injury caused thereby, excepting only such costs, claims, damages or liability as are the direct result of any gross negligence or willful misconduct of ESCO. Upon disposition of Hazardous Materials by Client, Client shall provide to ESCO copies of all manifests or other evidence or confirmation of removal of such Hazardous Materials showing Client as the sole generator of such Hazardous Materials upon ESCO's request for the same.

- 13.2 Differing Site Conditions. ESCO shall promptly notify Client in writing upon discovery of any: (a) subsurface or latent physical conditions at the Premises differing materially from those indicated in the Contract or Investment Grade Audit, or (b) theretofore unknown physical conditions at the Premises, of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in the Scope of Work of the character provided for in the Contract. Client shall investigate the conditions, and if it finds that such conditions do so materially differ and cause an increase or decrease in the Client's cost of, or the time required for, performance of any part of the Work, and which could not have reasonably been anticipated by ESCO, whether or not changed as a result of such conditions, an equitable adjustment shall be made in the Contract Sum, time of completion and/or other terms and conditions of the Contract, and the Contract shall be modified in writing accordingly by Change Order.

SECTION 14. CONDITIONS BEYOND CONTROL OF THE PARTIES

If a party ("performing party") shall be unable to reasonably perform any of its obligations under this Contract due to acts of God, insurrections or riots, or similar events, this Contract shall at the other party's option (i) remain in effect but said performing party's obligations shall be suspended until the said events shall have ended; or, (ii) be terminated upon ten (10) days' notice to the performing party, in which event neither party shall have any further liability to the other with the exception of payments as defined in ***Schedule D*** for Services completed up to the time of termination.

SECTION 15. EVENTS OF DEFAULT

- 15.1 Events of Default by Client. Each of the following events or conditions shall constitute an "Event of Default" by Client:
- (a) any failure by Client to pay ESCO any undisputed sum due within ten days after written notification by ESCO that Client is delinquent in making payment and provided that ESCO is not in default in its performance under the terms of this Contract; or
 - (b) any other failure by Client to perform or comply with the terms and conditions of this Contract, including breach of any covenant contained herein, provided that such failure continues for thirty days after written notice to Client demanding that such failures to perform be cured or if such cure cannot be effected in thirty days, Client shall be deemed to have cured default upon the commencement of a cure within thirty days and diligent subsequent completion thereof;
 - (c) any representation or warranty furnished by Client in this Contract which was false or misleading in any material respect when made.

- 15.2 Events of Default by ESCO. Each of the following events or conditions shall constitute an "Event of Default" by ESCO:
- (a) the Standards of Comfort set forth in *Schedule I (Standards of Comfort / Operating Parameters)* are not provided due to failure of ESCO to properly design, maintain, repair or adjust the Equipment per the terms of this Contract except that such failure, if corrected or cured within thirty days after written notice by Client to ESCO demanding that such failure be cured, shall be deemed cured for purposes of this Contract.
 - (b) any representation or warranty furnished by ESCO in this Contract is false or misleading in any material respect when made;
 - (c) any other failure by ESCO to perform or comply with the terms and conditions of this Contract, including breach of any covenant contained herein except that such failure, if corrected or cured within thirty days after written notice by the Client to ESCO demanding that such failure to perform be cured;
 - (d) the filing of a bankruptcy petition whether by ESCO or its creditors against ESCO which proceeding shall not have been dismissed within sixty days of its filing, or an involuntary assignment for the benefit of all creditors or the liquidation of ESCO;
 - (e) any failure by ESCO to pay Client any sum due within ten days after written notification by Client that ESCO is delinquent in making payment and provided that Client is not in default in its performance under the terms of this Contract

SECTION 16. REMEDIES UPON DEFAULT; DISPUTES; MEDIATION; ARBITRATION

- 16.1 Remedies upon Default. Any controversy, claim or dispute of whatever nature arising between the parties in connection with this Contract, including those arising out of or relating to any agreement between the parties, or the breach, termination, enforceability, scope or validity thereof, whether such claim existed prior to or arises on or after the date of this Contract (a "Dispute"), shall be resolved by good faith negotiations between ESCO and Client, by mediation or, failing mediation, by binding arbitration in accordance with this Section 16. ESCO shall continue with the performance of the Work during the pendency of any claim, dispute or controversy or arbitration, nonbinding mediation, or other proceeding to resolve such claim, dispute or controversy. The Client shall continue to make payments of undisputed amounts to ESCO in accordance with the Contract Documents, but the Client shall be under no obligation to make payments to ESCO of disputed amounts or for claims, disputes, or controversies during the pendency of any arbitration, nonbinding mediation or other proceeding to resolve such claims, disputes or controversies.
- 16.2 Mediation. Neither party shall commence an arbitration proceeding pursuant to the provisions set forth below unless such party shall first give a written notice (a "Dispute Notice") to the other party setting forth the nature of the Dispute. The parties shall attempt in good faith to resolve the Dispute by mediation under the American Arbitration Association ("AAA") mediation procedures in effect at the time of this Contract. If the parties cannot agree on the selection of a mediator within 20 days after receipt of the Dispute Notice, the mediator will be selected in accordance with the AAA procedures. The expenses of the mediation shall be borne equally by the parties to the mediation, provided that each party shall pay for and bear the cost of its own experts, evidence and counsel.
- 16.3 Arbitration. If any Dispute is not settled by mediation, upon the request of any party involved (and without regard to whether or not any provision of this Contract expressly provides for arbitration), such Dispute shall be submitted by either party to and settled by arbitration in the state of the location of the Premises in conformance with rules of the American Arbitration Association then in effect (or at any other place or under any other forum or arbitration mutually acceptable to the parties). Any award rendered shall be final and conclusive upon the parties, and a judgment thereon may be entered in the highest court of a forum, state or federal, having jurisdiction. The expenses of the arbitration shall be borne equally by the parties to the arbitration, provided that each party shall pay for and bear the cost of its own experts, evidence and counsel.

- 16.4 **Remedies.** Notwithstanding the provisions in this Section 16, the parties recognize that certain business relationships could give rise to the need for one or more of the parties to seek emergency, provisional or summary relief and for temporary injunctive relief. Immediately following the issuance of any such relief, the parties agree to the stay of any judicial proceedings pending mediation or arbitration of all underlying claims between the parties.

SECTION 17. ASSIGNMENT

- 17.1 **Assignment by ESCO.** ESCO acknowledges that the Client is induced to enter into this Contract by, among other things, the professional qualifications of the ESCO. The ESCO agrees that neither this Contract nor any right or obligations hereunder may be assigned in whole or in part to another firm, without the prior written approval of the Client. Notwithstanding the forgoing, ESCO may, with prior written approval of the Client, which consent shall not be unreasonably withheld, delegate its duties and performance under this Contract, and/or utilize contractors, provided that any assignee(s), delegate(s), or contractor(s) shall fully comply with the terms of this Contract. ESCO shall remain jointly and severally liable with its assignee(s), or transferee(s) to the Client for all of its obligations under this Contract.
- 17.2 **Assignment by Client.** Client may transfer or assign this Contract and its rights and obligations herein to a successor or purchaser of the Premises or an interest therein so long as the successor or purchaser assumes Client's obligation hereunder in writing.

SECTION 18. REPRESENTATIONS AND WARRANTIES

Each party warrants and represents to the other that:

- (a) it has all requisite power, authority, licenses, permits, and franchises, corporate or otherwise, to execute and deliver this Contract and perform its obligations hereunder;
- (b) its execution, delivery, and performance of this Contract have been duly authorized by, or are in accordance with, its organizational instruments, and this Contract has been duly executed and delivered for it by the signatories so authorized, and it constitutes its legal, valid, and binding obligation;
- (c) its execution, delivery, and performance of this Contract will not breach or violate, or constitute a default under any Contract, lease or instrument to which it is a party or by which it or its properties may be bound or affected; or
- (d) it has not received any notice, nor to the best of its knowledge is there pending or threatened any notice, of any violation of any applicable laws, ordinances, regulations, rules, decrees, awards, permits or orders which would materially and adversely affect its ability to perform hereunder

SECTION 19. ADDITIONAL REPRESENTATIONS OF THE PARTIES

- 19.1 Client hereby warrants, represents and promises that it has provided or shall provide timely to ESCO, all records relating to energy usage and energy-related maintenance of Premises requested by ESCO, including all information provided to the ESCO during the Investment Grade Audit, and the information set forth therein is, and all information in other records to be subsequently provided pursuant to this Contract will be true and accurate in all material respects.
- 19.2 ESCO hereby warrants, represents and promises that:
- a. it shall have provided proof and documentation of required insurance pursuant to Section 12.3 of this Contract;

- b. it shall make available, upon reasonable request, all documents relating to its performance under this Contract, including all contracts and subcontracts entered into;
- c. that ESCO is authorized and licensed to perform all Work under this contract that that it shall use qualified subcontractors and delegates, licensed and bonded in this state to perform the work so subcontracted or delegated pursuant to the terms hereof;
- d. that it is financially solvent, able to pay its debts as they mature and possessed of sufficient working capital to complete the Work and perform its obligations under this Contract.
- e. it shall complete the Work in compliance with the Contract and without any liens attaching to the Premises.

SECTION 20. APPLICABLE LAW

This Contract and the construction and enforceability thereof shall be interpreted under the laws of the State where the Premises is located.

SECTION 21. COMPLIANCE WITH LAW AND STANDARD PRACTICES

ESCO shall perform its obligations hereunder in compliance with any and all applicable federal, state, and local laws, rules, and regulations, in accordance with sound engineering and safety practices, and in compliance with any and all reasonable rules of Client relative to the Premises. ESCO shall be responsible for obtaining all governmental permits, consents, and authorizations as may be required to perform its obligations hereunder.

SECTION 22. INDEPENDENT CAPACITY OF THE ESCO

The parties hereto agree that ESCO, and any agents and employees of ESCO, in the performance of this Contract, shall act in an independent capacity and not as officers, employees, or agents of the Client.

SECTION 23 NO WAIVER

The failure of ESCO or Client to insist upon the strict performance of the terms and conditions hereof shall not constitute or be construed as a waiver or relinquishment of either party's right to thereafter enforce the same in accordance with this Contract in the event of a continuing or subsequent default on the part of ESCO or Client.

SECTION 24 SEVERABILITY

In the event that any clause or provision of this Contract or any part thereof shall be declared invalid, void, or unenforceable by any court having jurisdiction, such invalidity shall not affect the validity or enforceability of the remaining portions of this Contract unless the result would be manifestly inequitable or unconscionable

SECTION 25 COMPLETE CONTRACT

This Contract, when executed, together with all Schedules attached hereto or to be attached hereto, as provided for by this Contract shall constitute the entire Contract between both parties and this Contract may not be amended, modified, or terminated except by a written Change Order or Contract signed by the parties hereto.

SECTION 26 FURTHER DOCUMENTS

The parties shall execute and deliver all documents and perform all further acts that may be reasonably necessary to effectuate the provisions of this Contract

SECTION 27 NOTICE

Any notice required or permitted hereunder shall be deemed sufficient if given in writing and delivered personally or sent by registered or certified mail or telefax (Fax), return receipt requested, postage prepaid, or delivered to a nationally recognized express mail service, charges prepaid, receipt obtained, to the address shown below or to such other persons or addresses as are specified by similar notice.

TO ESCO: **Energy Solutions Professionals, LLC**
Attn: Jeff Flathman
9218 Metcalf Avenue, Suite 274
Overland Park, KS 66212
(913) 273-1499
jeff@energvesp.com

TO CLIENT: **City of Centralia, Missouri**
Attn: Matt Harline, City Administrator
114 South Rollins
Centralia, Missouri 65240
(573) 682-2139
cityadmin@centraliamo.org