

RESOLUTION NO. 19

WHEREAS, the Town of Oak Grove, Arkansas, wishes to construct a public water system to serve its citizens with a safe, adequate supply of water; and

WHEREAS, the engineering firm of McGoodwin, Williams and Yates, Inc., of Fayetteville, Arkansas, has completed preliminary engineering work in connection with the required studies and cost estimates; and

WHEREAS, the Town desires to employ said engineering firm to provide the engineering services required to design and construct the needed water facilities;

NOW THEREFORE, BE IT HEREBY RESOLVED by the Town Council of the Town of Oak Grove, Arkansas, that the Agreement for Engineering Services attached hereto and made a part hereof is hereby approved, and the Mayor and Recorder are authorized and directed to execute same.

PASSED AND APPROVED this 8 day of September, 1987.

TOWN OF OAK GROVE, ARKANSAS

Attest:

Delma Allen  
Delma Allen, Recorder

Jean Morgan  
Jean Morgan, Mayor

USDA-FmHA

Form FmHA 1942-19  
(Rev. 10-15-80)

AGREEMENT FOR ENGINEERING SERVICES

This Agreement, made this 8<sup>th</sup> day of September, 19 87,  
by and between the Town of Oak Grove, Arkansas, hereafter  
referred to as the OWNER, and McGoodwin, Williams and Yates, Inc.  
hereinafter referred to as the ENGINEER:

THE OWNER intends to construct a water system

in Carroll County, State of Arkansas, which  
may be paid for in part with financial assistance from the United States of America acting through the Farmers Home Admin-  
istration of the United States Department of Agriculture, hereinafter referred to as FmHA, pursuant to the consolidated  
Farm and Rural Development Act, (7 U.S.C. 1921 et seq.) and for which the ENGINEER agrees to perform the various  
professional engineering services for the design and construction of said system.

WITNESSETH:

That for and in consideration of the mutual covenants and promises between the parties hereto, it is hereby agreed:

SECTION A - ENGINEERING SERVICES

The ENGINEER shall furnish engineering services as follows:

1. The ENGINEER will conduct preliminary investigations, prepare preliminary drawings, provide a preliminary itemized list of probable construction costs effective as of the date of the preliminary report, and submit a preliminary engineering report following FmHA instructions and guides.
2. The ENGINEER will furnish 10 copies of the preliminary engineering report, and layout maps to the OWNER.
3. The ENGINEER will attend conferences with the OWNER, representatives of FmHA, or other interested parties as may be reasonably necessary.
4. After the preliminary engineering report has been reviewed and approved by the OWNER and by FmHA and the OWNER directs the ENGINEER to proceed, the ENGINEER will perform the necessary design surveys, accomplish the detailed design of the project, prepare construction drawings, specifications and contract documents, and prepare a final cost estimate based on the final design for the entire system. It is also understood that if subsurface explorations (such as borings, soil tests, rock soundings and the like) are required, the ENGINEER will furnish coordination of said explorations without additional charge, but the costs incident to such explorations shall be paid for by the OWNER as set out in Section D hereof.
5. The contract documents furnished by the ENGINEER under Section A-4 shall utilize FmHA-endorsed construction contract documents, including FmHA Supplemental General Conditions, Contract Change Orders, and partial payment estimates. All of these documents shall be subject to FmHA approval. Copies of guide contract documents may be obtained from FmHA.
6. Prior to the advertisement for bids, the ENGINEER will provide for each construction contract, not to exceed 10 copies of detailed drawings, specifications, and contract documents for use by the OWNER, appropriate Federal, State, and local agencies from whom approval of the project must be obtained. The cost of such drawings, specifications, and contract documents shall be included in the basic compensation paid to the ENGINEER.
7. The ENGINEER will furnish additional copies of the drawings, specifications and contract documents as required by prospective bidders, material suppliers, and other interested parties, but may charge them for the reasonable cost of such copies. Upon award of each contract, the ENGINEER will furnish to the OWNER five sets of the drawings, specifications and contract documents for execution. The cost of these sets shall be included in the basic compensation paid to the ENGINEER. Original documents, survey notes, tracings, and the like, except those furnished to the ENGINEER by the OWNER, are and shall remain the property of the ENGINEER.
8. The drawings prepared by the ENGINEER under the provisions of Section A-4 above shall be in sufficient detail to permit the actual location of the proposed improvements on the ground. The ENGINEER shall prepare and furnish to the OWNER without any additional compensation, three copies of a map(s) showing the general location of needed construction easements and permanent easements and the land to be acquired. Property surveys, property plats, property descriptions, abstracting and negotiations for land rights shall be accomplished by the OWNER, unless the OWNER requests, and the ENGINEER agrees to provide those services. In the event the ENGINEER is requested to provide such services, the ENGINEER shall be additionally compensated as set out in Section D hereof.



(Section A - continued)

9. The ENGINEER will attend the bid opening and tabulate the bid proposals, make an analysis of the bids, and make recommendations for awarding contracts for construction.
10. The ENGINEER will review and approve, for conformance with the design concept, any necessary shop and working drawings furnished by contractors.
11. The ENGINEER will interpret the intent of the drawings and specifications to protect the OWNER against defects and deficiencies in construction on the part of the contractors. The ENGINEER will not, however, guarantee the performance by any contractor.
12. The ENGINEER will establish baselines for locating the work together with a suitable number of bench marks adjacent to the work as shown in the contract documents.
13. The ENGINEER will provide general engineering review of the work of the contractors as construction progresses to ascertain that the contractor is conforming with the design concept.
14. Unless notified by the OWNER in writing that the OWNER will provide for resident inspection, the ENGINEER will provide resident construction inspection. The ENGINEER'S undertaking hereunder shall not relieve the contractor of contractor's obligation to perform the work in conformity with the drawings and specifications and in a workmanlike manner; shall not make the ENGINEER an insurer of the contractor's performance; and shall not impose upon the ENGINEER any obligation to see that the work is performed in a safe manner.
15. The ENGINEER will cooperate and work closely with FmHA representatives.
16. The ENGINEER will review the contractor's applications for progress and final payment and, when approved, submit same to the OWNER for payment.
17. The ENGINEER will prepare necessary contract change orders for approval of the OWNER, FmHA, and others on a timely basis.
18. The ENGINEER will make a final review prior to the issuance of the statement of substantial completion of all construction and submit a written report to the OWNER and FmHA. Prior to submitting the final pay estimate, the ENGINEER shall submit a statement of completion to and obtain the written acceptance of the facility from the OWNER and FmHA.
19. The ENGINEER will provide the OWNER with one set of reproducible record (as-built) drawings, and two sets of prints at no additional cost to the OWNER. Such drawings will be based upon construction records provided by the contractor during construction and reviewed by the resident inspector and from the resident inspector's construction data.
20. If State statutes require notices and advertisements of final payment, the ENGINEER shall assist in their preparation.
21. The ENGINEER will be available to furnish engineering services and consultations necessary to correct unforeseen project operation difficulties for a period of one year after the date of statement of substantial completion of the facility. This service will include instruction of the OWNER in initial project operation and maintenance but will not include supervision of normal operation of the system. Such consultation and advice shall be furnished without additional charge except for travel and subsistence costs. The ENGINEER will assist the OWNER in performing a review of the project during the 11th month after the date of the certificate of substantial completion.
22. The ENGINEER further agrees to obtain and maintain, at the ENGINEER'S expense, such insurance as will protect the ENGINEER from claims under the Workman's Compensation Act and such comprehensive general liability insurance as will protect the OWNER and the ENGINEER from all claims for bodily injury, death, or property damage which may arise from the performance by the ENGINEER or by the ENGINEER'S employees of the ENGINEER'S functions and services required under this Agreement.
23. The services called for in the Section A-1 and A-2 of this Agreement shall be completed and the report submitted

within 30 calendar days from the date of authorization to proceed. After acceptance by the OWNER and FmHA of the Preliminary Engineering Report and upon written authorization from the OWNER, the ENGINEER will complete final plans, specifications and contract documents and submit for approval

of the OWNER, FmHA and all State regulatory agencies within 120 days after project funding  
~~calendar days from the date of authorization~~ unless otherwise agreed to by both parties.

If the above is not accomplished within the time period specified, this Agreement may be terminated by the OWNER. The time for completion will be extended by the OWNER for a reasonable time if completion is delayed due to unforeseeable causes beyond the control and without the fault or negligence of the ENGINEER.

## SECTION B - COMPENSATION FOR ENGINEERING SERVICES

1. The OWNER shall compensate the ENGINEER for preliminary engineering services in the sum of Two Thousand Five Hundred and no/100 ----- Dollars (\$ 2,500.00) after the review and approval of the preliminary engineering report by the OWNER and FmHA.
2. The OWNER shall compensate the ENGINEER for design and contract administration engineering services in the amount of: (Select (a) or (b))
  - (a) XX Dollars (\$ XXXXXXXXXXXXXXXXXXXX) or
  - (b) As shown in Attachment 1

When Attachment 1 is used to establish compensation for the design and contract administration services, the actual construction costs on which compensation is determined shall exclude legal fees, administrative costs, engineering fees, land rights, acquisition costs, water costs, and interest expense incurred during the construction period.
3. The compensation for preliminary engineering services, design and contract administration services shall be payable as follows:
  - (a) A sum which equals seventy percent (70%) of the total compensation payable under Section B-1 and 2, after completion and submission of the construction drawings, specifications, cost estimates, and contract documents, and the acceptance of the same by OWNER and FmHA.
  - (b) A sum which, together with the compensation provided in Section B-3-(a) above, equals eighty percent (80%) of the compensation payable immediately after the construction contracts are awarded.
  - (c) A sum equal to fifteen percent (15%) of the compensation will be paid on a monthly basis for general engineering review of the contractor's work during the construction period on percentage ratios identical to those approved by the ENGINEER as a basis upon which to make partial payments to the contractor(s). However, payment under this paragraph and of such additional sums as are due the ENGINEER by reason of any necessary adjustments in the payment computations will be in an amount so that the aggregate of all sums paid to the ENGINEER will equal ninety-five (95%) of the compensation. A final payment to equal 100 percent shall be made when it is determined that all services required by this Agreement have been completed except for the services set forth in Section A-21 hereof.

## SECTION C - COMPENSATION FOR RESIDENT INSPECTION AS SET FORTH IN SECTION A-14

When the ENGINEER provides resident inspection, the ENGINEER will, prior to the preconstruction conference, submit a resume of the resident inspector's qualifications, anticipated duties and responsibilities for approval by the OWNER and FmHA. The OWNER agrees to pay the ENGINEER for such services ~~in accordance with the schedule set out in Attachment 1.~~ The ENGINEER will render to OWNER for such services an itemized bill, once each month, for compensation for such services performed hereunder during such period, the same to be due and payable by the OWNER to the ENGINEER on or before the 10th day of the following period. Under normal construction circumstances, and for the proposed construction

period of \_\_\_\_\_ days, the cost of resident inspection is estimated to be \$ \_\_\_\_\_.

\*a fee to be negotiated after completion of plans and specifications.

## SECTION D - ADDITIONAL ENGINEERING SERVICES

In addition to the foregoing being performed, the following services may be provided UPON PRIOR WRITTEN AUTHORIZATION OF THE OWNER and written approval of FmHA.

1. Site surveys for water treatment plants, sewage treatment works, dams, reservoirs, and other similar special surveys as may be required.
2. Laboratory tests, well tests, borings, specialized geological, soils, hydraulic, or other studies recommended by the ENGINEER.
3. Property surveys, detailed description of sites, maps, drawings, or estimates related thereto; assistance in negotiating for land and easement rights.
4. Necessary data and filing maps for water rights, water adjudication, and litigation.



(Section D - continued)

5. Redesigns ordered by the OWNER after final plans have been accepted by the OWNER and FmHA, except redesigns to reduce the project cost to within the funds available.
6. Appearances before courts or boards on matters of litigation or hearings related to the project.
7. Preparation of environment impact assessments or environmental impact statements.
8. Performance of detailed staking necessary for construction of the project in excess of the control staking set forth in Section A-12.
9. The ENGINEER further agrees to provide the operation and maintenance manual for facilities when required for a fee to be negotiated after completion of plans and specifications.  
\$ \_\_\_\_\_.

Payment for the services specified in this Section D shall be as agreed in writing between the OWNER and approved by FmHA prior to commencement of the work. Barring unforeseen circumstances, such payment is estimated not to

exceed \$ 5,000\*. The ENGINEER will render to OWNER for such services an itemized bill, separate from any other billing, once each month, for compensation for services performed hereunder during such period, the same to be due and payable by OWNER to the ENGINEER on or before the 10th day of the following period.

\*Actual charges to be based on hours required at the rates set out on  
page 2 of Attachment 1.

SECTION E - INTEREST ON UNPAID SUMS

If OWNER fails to make any payment due ENGINEER within 60 days for services and expenses and funds are available for the project then the ENGINEER shall be entitled to interest at the rate of \_\_\_\_\_ percent per annum from said 60th day, not to exceed an annual rate of 12 percent.

SECTION F - SPECIAL PROVISIONS

Specific additional work for which the Owner may request the services of the Engineer, in which case the Engineer will be compensated under the provisions of Section D above, includes preparing and filing applications with the Farmers Home Administration and other funding agencies.

SECTION G - APPROVAL BY FmHA

This Agreement shall not become effective until approved by FmHA. Such approval shall be evidenced by the signature of a duly authorized representative of FmHA in the space provided at the end of this Agreement. The approval so evidenced by FmHA shall in no way commit FmHA to render financial assistance to the OWNER and is without liability for any payment hereunder, but in the event such assistance is provided, the approval shall signify that the provisions of this Agreement are consistent with the requirements of FmHA.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement in duplicate on the respective dates indicated below.

(SEAL)

ATTEST Delma Allen

Type Name Delma Allen

Title Recorder

(SEAL)

ATTEST: Jerre M. Van Hoose

Type Name Jerre M. Van Hoose

Title Acting Secretary

OWNER: TOWN OF OAK GROVE, ARKANSAS

By Jean Morgan

Type Name Jean Morgan

Title Mayor

Date Sept 8, 1987

ENGINEER: McGOODWIN, WILLIAMS & YATES, INC.

By L. Carl Yates

Type Name L. Carl Yates

Title President

Date \_\_\_\_\_

APPROVED:

FARMERS HOME ADMINISTRATION

By \_\_\_\_\_

Type Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

ENGINEERING SERVICE AGREEMENT  
ATTACHMENT 1

SUGGESTED FEE SCHEDULE TO BE INCLUDED IN PROJECT  
FOR BASIC ENGINEERING SERVICES

<u>Total Actual Construction Cost</u>		<u>Table I % Fee</u>	<u>Table II % Fee</u>
Less than	\$ 50,000	12.50	11.00
\$ 50,000	\$ 100,000	11.25	10.00
\$ 100,000	\$ 200,000	9.75	9.00
\$ 200,000	\$ 300,000	9.00	8.50
\$ 300,000	\$ 500,000	8.25	8.00
\$ 500,000	\$1,000,000	7.50	7.25
\$1,000,000	\$2,000,000	7.00	6.75
Over	\$2,000,000	6.75	6.50

METHOD OF COMPUTING FEES AT BREAK POINTS: The fee as computed from the schedule shall not be less than the maximum fee obtained from calculating from the next lower construction cost bracket.

Table I ordinarily will apply to the portion of a project involving above average engineering cost such as complicated water treatment plants, sewer collection, sewer treatment (not lagoons) and the rehabilitation of existing facilities.

Table II will apply to all other work including buildings, water distribution, package treatment plants, storage tanks, wells, etc.

RESIDENT INSPECTION (OBSERVATION)

Resident inspection is required by the Farmers Home Administration unless exception is made in writing by the State Director. Compensation will be based on percentage of the actual construction cost, payable as construction progresses, for supervision during the term of the construction contracts as outlined in the following table:

<u>Total Actual Construction Cost</u>		<u>Maximum % Fee</u>
Up to	\$ 100,000	4.00
\$100,000	\$ 300,000	3.75
\$300,000	\$ 500,000	3.50
\$500,000	\$2,000,000	3.25
Over	\$2,000,000	3.00

If a project is divided such that a portion is eligible for Table I compensation and the remainder for Table II compensation, the fee percentage (both basic and resident inspection) will be determined based on the total construction cost of all schedules of work with each corresponding figure applied to the appropriate portion of construction.

(Continued)



SCHEDULE OF RATES AND CHARGES FOR ADDITIONAL ENGINEERING SERVICES AS REFERRED TO  
IN SECTION D OF THE AGREEMENT FOR ENGINEERING SERVICES.

<u>PERSONNEL</u>	<u>RATE PER HOUR</u>
<u>Survey</u>	
Four-man Party	\$ 105.00
Three-man Party	\$ 84.00
Two-man Party	\$ 63.00
<u>Construction Inspection</u>	
Resident Engineer	\$ 47.00
Resident Inspector	\$ 32.00
<u>Engineering and General Supervisor</u>	
Principal or Officer of Firm	\$ 85.00
Project Engineer	\$ 64.00
Field or Design Engineer	\$ 53.00
Field or Office Assistant	\$ 34.00
Land Surveyor	\$ 38.00

Additional engineering cost caused by overrun in construction time may be compensated similar to the schedule as outlined in the above Schedule of Rates and Charges for Additional Engineering Services. This should be considered in establishing the amount of the Liquidated Damages in the contracts.

(SEAL)

ATTEST:

Delma Allen

(Type Name) Delma Allen

Title: Recorder

(SEAL)

ATTEST:

Jerre M. Van Hoose

(Type Name) Jerre M. Van Hoose

Title: Acting Secretary

OWNER: TOWN OF OAK GROVE, ARKANSAS

By: Jean Morgan

(Type Name) Jean Morgan

Title: Mayor

Date: Sept 8, 1987

ENGINEER: McGOODWIN, WILLIAMS & YATES, INC.

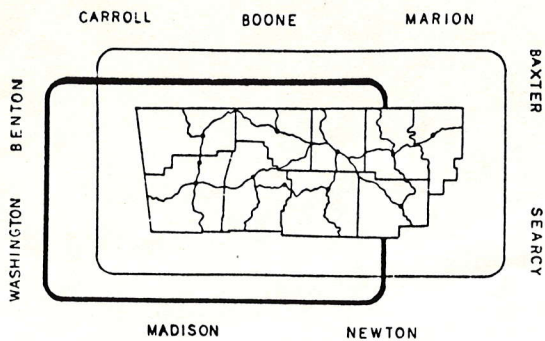
By: L. Carl Yates

(Type Name) L. Carl Yates

Title: President

Date: \_\_\_\_\_





**NORTHWEST ARKANSAS ECONOMIC  
DEVELOPMENT DISTRICT, INC.**

P.O. BOX 190, HARRISON, ARKANSAS 72601  
PHONE 741-5404 - NWAEDD BUILDING

August 28, 1987

The Honorable Jean Morgan  
Mayor of Oak Grove  
Route 4  
Oak Grove, Arkansas 72660

Dear Mayor Morgan:

The Arkansas Industrial Development Commission is recommending that the project engineer on all grant applications be selected prior to the submission of any application. Such a selection will speed the development stage of the grant process and could save the Town as much as four months if we are chosen to move forward to a formal application.

Therefore, we have attached herewith four copies of a resolution and an Engineering Contract by and between the Town of Oak Grove and the firm of McGoodwin, Williams and Yates, Inc. of Fayetteville. The resolution is of standard form and basically states the Council's approval of the selection of an engineering firm and authorizes the Mayor and Recorder to execute the contract. The contract is the standard Agreement for Engineering Services which is required by the Farmers Home Administration. It is my understanding that any costs associated with the contract are allowable costs under any grant and/or loan from FmHA.

If you would schedule consideration of the resolution and contract for your next Council meeting, Jerre Van Hoose will come over to discuss the contract for his firm. Please give Jerre a call at 443-3404 to confirm the date and time. We will then submit the executed contracts along with the grant application.

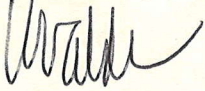
-continued-

Mayor Jean Morgan  
August 28, 1987  
Page -2-

We have a meeting the Mike Murphy, the County Sanitarian, on Monday, August 31 to discuss the final Needs Summary Forms. I hope we can get some better ranking of our need than we have now.

Thanks for your help, Mayor. If we can be of assistance, please give us a call.

Sincerely,



Uvalde R. Lindsey  
Executive Director

URL:pd

Enclosures

cc: Jerre Van Hoose