



AGREEMENT FOR SERVICES

Project Number or Name: SEMSWA Business Start-up Assistance

THIS AGREEMENT is entered into as of the _____ day of _____, by and between Southeast Metro Stormwater Authority acting by and through SEMSWA Water Activity Enterprise (hereinafter referred to as "SEMSWA WAE") and CH2M HILL (hereinafter referred to as the "Contractor").

WHEREAS, SEMSWA WAE desires to engage the Contractor to provide the services described in Exhibit A.

NOW, THEREFORE, the parties mutually agree as follows:

1. **Scope of Services.** The Contractor agrees to perform the services described in Section 1 of Exhibit A, which document is attached hereto and incorporated herein in its entirety.
2. **Standard of Care.** The standard of care applicable to Contractor's Services will be the degree of skill and diligence normally employed by professional engineers or consultants performing the same or similar Services in the Denver, Colorado metropolitan area, at the time said services are performed.
3. **Time of Performance.** The services of the Contractor are to commence and be completed (or end) by the dates set forth in Section 2 of Exhibit A, unless this Agreement is sooner terminated pursuant to paragraph 4.A below. All time limits are of the essence in this Agreement.
4. **Method of Payment.** SEMSWA WAE will compensate the Contractor for services rendered in accordance with Section 3 of Exhibit A, subject to the availability of appropriated funds within the annual budget. The Contractor is responsible for paying all applicable income, Federal Insurance Contributions Act (FICA), Federal Unemployment Tax Act, or other taxes owed on compensation paid under this Agreement. The Contractor shall submit requests for payment in a form acceptable to SEMSWA WAE and in conformance with SEMSWA WAE's policies. The Contractor shall provide such backup information for its payment requests as may be reasonably requested by SEMSWA WAE. SEMSWA WAE shall have forty-five (45) days from receipt of any payment request to make payment to the Contractor.
5. **General Terms and Conditions.**
 - A. **Termination of Agreement.** SEMSWA WAE or the Contractor shall have the right to terminate this Agreement, with or without cause, by giving written notice to the other party of such termination and specifying the effective date thereof, which notice shall be given at least the number of days set forth in Section 4 of Exhibit A prior to the effective date of such termination. In such event, all finished or unfinished documents, data, studies and reports prepared by the Contractor pursuant to this Agreement shall become the property of SEMSWA WAE. Unless expressly stated otherwise in the notice, Contractor shall provide no further services in connection with this Agreement after receipt of a notice of termination, and the Contractor shall proceed to cancel all existing orders and contracts that are chargeable to SEMSWA WAE under this Agreement. The Contractor shall be entitled to receive compensation in accordance with this Agreement for any satisfactory services completed pursuant to the terms of this Agreement prior to the date of receipt of the notice of termination, or such other stop-work date as may be specified in the notice. Notwithstanding the above, the Contractor shall not be relieved of liability to SEMSWA WAE for damages sustained by virtue of any breach of this Agreement by the Contractor.
 - B. **Changes.** SEMSWA WAE may, from time to time, request changes in the scope of services or compensation of the Contractor. Such changes that are mutually agreed upon between SEMSWA WAE and Contractor shall be in writing, and upon execution shall become part of this

Agreement. To be effective, all changes must be signed by the Contractor and SEMSWA WAE, or by a person authorized by resolution to sign on behalf of SEMSWA WAE.

C. Assignability or Subcontracting. Any assignment, transfer or subcontracting of this Agreement is prohibited, unless prior written consent is obtained from SEMSWA WAE.

D. Audit. SEMSWA WAE or any of its duly authorized representatives shall have reasonable access to any books, documents, papers and records of the Contractor which are pertinent to the Contractor's performance under this Agreement for the purpose of making an audit, examination, or excerpts. The Contractor shall provide any documentation necessary to prepare all reporting required of or by SEMSWA WAE, and shall keep all books, documents, papers and records which are pertinent to the Contractor's performance for a minimum period of three years, or such longer time as may be set forth in any Special Conditions or addendums to this Agreement.

E. Equal Employment Opportunity. While performing this Agreement, the Contractor shall not discriminate against any employee, subcontractor, or applicant for employment because of race, creed, color, national origin, religion, sex, mental or physical disability, or age.

F. Ownership of Documents. All drawings, specifications, guidelines and other documents prepared or received by the Contractor in connection with this Agreement shall be the property of SEMSWA WAE.

G. Assignment of Copyrights. The Contractor assigns to SEMSWA WAE the copyrights to all works prepared, developed, or created pursuant to this Agreement, including the rights to: 1) reproduce the work; 2) prepare derivative works; 3) distribute copies to the public by sale, rental, lease, or lending; 4) perform the works publicly; and 5) to display the work publicly. The Contractor waives its rights to claim authorship of the works, to prevent its name from being used in connection with the works, and to prevent distortion of the works.

H. Reuse of Documents. Any modification of the documents by SEMSWA WAE will be at SEMSWA WAE's sole risk.

I. Governing Law/Forum/Interpretation. This Agreement has been executed by the parties hereto on the day and year first above written and shall be governed by the laws of the State of Colorado. Venue for any civil action relating to this Agreement shall be in Arapahoe County. To reduce the cost of and to expedite the resolution of disputes under this Agreement, the parties hereby waive any and all right either may have to request a jury trial in any civil action relating primarily to the enforcement of this Agreement. Both parties agree that the rule that ambiguities in a contract are to be construed against the drafting party shall not apply to the interpretation of this Agreement. If there is any conflict between the language of this Agreement and any exhibit or attachment, the language of this Agreement shall govern.

J. Compliance with Laws/Licenses and Permits. The Contractor shall comply with all applicable federal, state and local laws, ordinances, regulations, and resolutions. The Contractor shall be responsible for obtaining all licenses and permits necessary to perform the scope of services, at the Contractor's expense, unless specifically stated otherwise in this Agreement.

K. No Waiver of Rights. SEMSWA WAE's approval or acceptance of, or payment for, services shall not be construed to operate as a waiver of any rights or benefits to be provided under this Agreement. No covenant or term of this Agreement shall be deemed to be waived by SEMSWA WAE except in writing signed by SEMSWA WAE or person authorized to sign by resolution of SEMSWA WAE, and any waiver of a right shall not be construed to be a waiver of any other right or to be a continuing waiver, unless specifically so stated.

L. Non-appropriation. Pursuant to CR.S. §29-1-110, as amended, the financial obligations of SEMSWA WAE as set forth herein after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted and otherwise available. This Agreement is automatically terminated on

January 1st of the first fiscal year for which funds are not appropriated. SEMSWA WAE shall give the Contractor written notice of such non-appropriation.

M. Conflict of Interest. The Contractor shall refrain from providing services to other persons, firms or entities that would create a conflict of interest for Contractor with regard to providing services pursuant to this Agreement. The Contractor shall not offer or provide anything of benefit to any SEMSWA WAE official or employee that would place the official or employee in a position of violating the public trust in violation of C.R.S. §24-18-109, as amended, or SEMSWA WAE's Ethical Principles and Guidelines.

N. Remedies. In addition to any other remedies provided for in this Agreement, and without limiting its remedies available at law, SEMSWA WAE may exercise the following remedial actions if the Contractor substantially fails to satisfy the duties and obligations in this Agreement. Substantial failure to satisfy the duties and obligations shall mean significant insufficient, incorrect or improper performance, activities or inactions by the Contractor. These remedial actions are as follows:

- (1) Suspend Contractor's performance pending necessary corrective action as specified by SEMSWA WAE without the Contractor's entitlement to adjustment in price/cost or schedule; and/or
- (2) Withhold payment to the Contractor until the necessary services or corrections in performance are satisfactorily completed; and/or
- (3) Deny payment for those services which have not been satisfactorily performed, and which, due to circumstances caused by the Contractor, cannot be performed, or if performed would be of no value to SEMSWA WAE; and/or
- (4) Terminate the Agreement.

The foregoing remedies are cumulative and SEMSWA WAE, in its sole discretion, may exercise any or all of them individually or simultaneously.

O. Force Majeure. Neither the Contractor nor SEMSWA WAE shall be liable for any delay in, or failure of performance of, any covenant or promise contained in this Agreement, nor shall any delay or failure constitute default or give rise to any liability for damages if, and only to extent that, such delay or failure is caused by "force majeure." As used in this Agreement, "force majeure" means acts of God, acts of the public enemy, unusually severe weather, fires, floods, epidemics, quarantines, strikes, labor disputes and freight embargoes, to the extent such events were not the result of, or were not aggravated by, the acts or omissions of the non-performing or delayed party.

P. Third-Party Beneficiaries. It is expressly understood and agreed that the enforcement of this Agreement and all rights of action relating thereto shall be strictly reserved to SEMSWA WAE and the named Contractor. Nothing contained in this Agreement shall give or allow any claim or right of action whatsoever by any other third person.

Q. Survival of Terms and Conditions. Notwithstanding anything herein to the contrary, the parties understand and agree that all terms and conditions of the Agreement that require continued performance, compliance, or effect beyond the termination date of the Agreement shall survive such termination date and shall be enforceable in the event of a failure to perform or comply.

6. Insurance. In part to assure SEMSWA WAE that the Contractor is always capable of fulfilling the specified indemnification obligations, the Contractor must purchase and maintain insurance of the kind and in the minimum amounts specified below, unless indicated otherwise in Section 7 of Exhibit A.

A. The Contractor agrees to procure and maintain, at its own expense, for all services covered by this Agreement, the following policies of insurance:

(1) Worker's Compensation Insurance to cover obligations imposed by applicable laws for any employee engaged in the performance of services under this Agreement:

Worker's Compensation

Each accident	Statutory
Each employee for disease	Statutory

The Contractor shall comply with the requirements of the Worker's Compensation Act of Colorado and shall provide Worker's Compensation Insurance to protect the Contractor from and against any and all Worker's Compensation claims arising from the performance of services under this Agreement. The requirements of this provision shall apply to the Contractor and to all subcontractors.

(2) Commercial General Liability insurance with minimum combined single limits of One Million Dollars (\$1,000,000) each occurrence and One Million Dollars (\$1,000,000) aggregate. The policy shall be applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee acts), blanket contractual, independent contractors, products, and completed operations. The policy shall contain a severability of interests provision. Coverage must be on an "occurrence" basis as opposed to a "claims made" basis. This insurance must pay on behalf of the Contractor all sums which the Contractor shall become legally obligated to pay as damages because of bodily injury or property damage caused by an occurrence up to the specified limits of liability for each occurrence.

(3) Commercial Automobile Liability insurance with minimum combined single limits for bodily injury and property damage of not less than One Million Dollars (\$1,000,000) each occurrence with respect to each of the Contractor's owned, hired and non-owned vehicles assigned to or used in performance of the services. The policy shall contain a severability of interests provision. Commercial Automobile Liability insurance must cover the Contractor for all sums which the Contractor shall become legally obligated to pay as damages because of bodily injury or property damage caused by an occurrence up to the specified limits of liability for each occurrence. This insurance coverage must extend to all levels of subcontractors. Such coverage must include all automotive equipment used in the performance of the Agreement, both on and off the work site, and must include non-ownership and hired cars coverage.

(4) If indicated in Section 5 of Exhibit A, Errors and Omissions or Professional Liability Insurance with a minimum coverage amount as specified in Section 5 of Exhibit A, and for two years beyond the completion of all services under this Agreement.

B. The above-mentioned coverages shall be procured and maintained with insurers with an A- or better rating, as determined by Best's Key Rating Guide. All coverages shall be continuously maintained to cover all liability, claims, demands, and other obligations assumed by the Contractor.

C. The policies required above shall be primary insurance, and any insurance carried by SEMSWA WAE, its officers, or its employees shall be excess and not contributory insurance to that provided by the Contractor. No additional insured endorsement to the policies required above shall contain any exclusion for bodily injury or property damage arising from completed operations. The Contractor shall be solely responsible for any deductible losses under any policy required above.

D. The required Commercial General Liability and Commercial Automobile Liability policies shall be endorsed to name SEMSWA WAE as Certificate Holder and name SEMSWA WAE, and its elected officials, officers, employees and agents as additional insureds. The required Worker's Compensation and Professional Liability (where applicable) policies shall be endorsed to include

SEMSWA WAE as a Certificate Holder. The policies shall provide that SEMSWA WAE will receive notice no less than 30 days prior to cancellation, termination or a material change to the policies.

E. The Contractor shall not be relieved of any liability, claims, demands, or other obligations assumed pursuant to this Agreement by reason of its failure to procure or maintain insurance, or by reason of its failure to procure or maintain insurance in sufficient amounts, durations or types.

F. Failure on the part of the Contractor to procure or maintain policies providing the required coverages, conditions and minimum limits shall constitute a material breach of contract upon which SEMSWA WAE may immediately terminate this Agreement, or, at its discretion, SEMSWA WAE may procure or renew any such policy or any extended reporting period thereto and may pay any and all premiums in connection therewith, and all monies so paid by SEMSWA WAE shall be repaid by Contractor to SEMSWA WAE upon demand, or SEMSWA WAE may offset the cost of the premiums against any monies due to the Contractor from SEMSWA WAE.

G. SEMSWA reserves the right to request and receive a certified copy of any policy and any endorsement thereto.

7. Insurance Certificates.

A. The Contractor shall, prior to commencing services, deliver to SEMSWA WAE Certificates of insurance as evidence that policies providing any and all required coverages and limits are in full force and effect.

B. These certificates will serve as an indication to SEMSWA WAE that the Contractor has acquired all necessary insurance.

C. Insurance limits must be indicated on each Certificate of Insurance. Each Certificate of Insurance shall be reviewed and approved by SEMSWA WAE prior to commencement of services under the Agreement. The certificates shall identify this Agreement and shall state the project number where applicable.

8. Indemnification. The Contractor shall indemnify and hold harmless SEMSWA WAE and its elected and appointed officials, officers, employees and agents from and against any and all losses, damages, liabilities, claims, suits, actions or awards, including costs, expenses and attorneys fees, incurred or occasioned as a result of the negligent acts or omissions of the Contractor, or its principals, employees, agents or subcontractors, to the proportionate extent, arising out of or in any way connected with the negligent performance of services under this Agreement. The Contractor's obligation to indemnify pursuant to this paragraph, and to provide any extended insurance coverage where applicable, shall survive the completion of the scope of services, and shall survive the termination of this Agreement.

9. Independent Contractor. The Contractor is an independent contractor. AN INDEPENDENT CONTRACTOR IS NOT ENTITLED TO WORKER'S COMPENSATION BENEFITS AND IS OBLIGATED TO PAY FEDERAL AND STATE INCOME TAX ON ANY MONIES EARNED PURSUANT TO THE CONTRACT RELATIONSHIP. Notwithstanding any provision appearing in this Agreement, all personnel assigned by the Contractor to perform work under the terms of this Agreement shall be and remain at all times employees of the Contractor or employees of their respective employers for all purposes.

10. Notices. Notices to be provided under this Agreement shall be given in writing and either delivered by hand or deposited in the United States mail with sufficient postage to the addresses set forth in Section 6 of Exhibit A.

11. Extent of Agreement. This Agreement represents the entire and integrated agreement between SEMSWA WAE and the Contractor and supersedes all prior negotiations, representations or agreements, either written or oral. Any amendments to this must be in writing and be signed by both SEMSWA WAE and the Contractor. If any portion of this Agreement is found by a court of competent jurisdiction to be

void and/or unenforceable, it is the intent of the parties that the remaining portions of this Agreement shall be of full force and effect.

CONTRACTOR: CH2M HILL

By: *Lawrence J. Schimmoller*
Title: PROJECT DELIVERY LEADER

Signed this 23 day of October, 2006

State of Colorado) ss

County of Douglas)

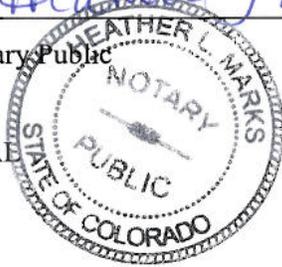
Subscribed and sworn to before me this 23 day of 2006, October by Lawrence J. Schimmoller

My commission expires: March 22, 2009.

Heather L. Marks

Notary Public

SEAL



ATTEST:

SOUTHEAST METRO STORMWATER
AUTHORITY acting by and through SEMSWA
WATER ACTIVITY ENTERPRISE

By: _____

Date: _____

Title: Chairman

EXHIBIT A to Agreement between SEMSWA WAE and CH2M HILL

Project Number or Name: SEMSWA Business Start-up Assistance

1. **Scope of Services.** The Contractor hereby agrees to and accepts responsibility to perform the following services:

See Attachment A.

2. **Time of Performance.** The services of the Contractor shall commence (choose one):

- As of the date of this Agreement
- As specified in a Notice to Proceed to be provided by the SEMSWA WAE
- X As of the following date: September 19, 2006

The services of the Contractor shall be completed, or shall end, by December 31, 2007.

3. **Compensation.** SEMSWA WAE agrees to compensate the Contractor for the performance of services detailed in Section 1 above, Scope of Services, as follows:

- Lump sum due upon completion:
- Hourly rate of _____ (to be billed monthly).
- X Other: Time and Materials per the rates on the fee estimate (attached).

It is expressly understood and agreed that the total compensation to be paid to the Contractor under this Agreement shall not exceed \$399,891.

4. **Notices of Termination.** Notices of termination shall be given at least thirty (30) days before the effective date of termination.

5. **Professional Liability Insurance.** Errors and Omissions or Professional Liability Insurance is X is not required. The required minimum amount of coverage is \$3 million dollars.

6. **Addresses for Notices.** The addresses for Notices are as follows:

To SEMSWA WAE: Steve Gardner
10730 E. Briarwood Ave.
Ste. 100
Centennial, CO 80112

To the Contractor: Kyle Hamilton, P.E.
CH2M HILL
9193 South Jamaica Street
Englewood, CO 80112

7. **Special Conditions.**

- X Special Conditions are as follows: Illegal Aliens

SPECIAL CONDITION

Illegal Aliens.

1. Contractor shall not:
 - a) Knowingly employ or contract with an illegal alien to perform work under this Contract or
 - b) Enter into a contract with a subcontractor that fails to certify to the contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Contract.

2. Contractor has verified or attempted to verify through participation in the Basic Pilot Program (created in Public Law 208, 104th Congress, As Amended, and expanded in Public Law 156, 108th Congress, As Amended, that is administered by the United States Department of Homeland Security) that Contractor does not employ any illegal aliens and, if Contractor is not accepted into the Basic Pilot Program prior to entering into this Contract, Contractor shall apply to participate in the Basic Pilot Program every three months until the Contractor is accepted or this Contract has been completed, whichever is earlier.

3. Contractor shall not use the Basic Pilot Program procedures to undertake pre-employment screening of job applicants while this Contract is being performed.

4. Contractor, if it obtains actual knowledge that a subcontractor performing work under this Contract knowingly employs or contracts with an illegal alien, shall be required to:
 - a) Notify the subcontractor and SEMSWA WAE within three days that the Contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien and
 - b) Terminate the subcontract with the subcontractor if within three days of receiving the notice required in Paragraph 4.a. the subcontractor does not stop employing or contracting with the illegal alien. Except the Contractor shall not terminate the contract with the subcontractor, if during such three days, the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

5. Contractor shall comply with any reasonable request by the Department of Labor and Employment (Department) made in the course of an investigation that the Department is undertaking pursuant to 8-17.5-102 (5) C.R.S.

6. SEMSWA WAE may terminate this Contract for a breach of contract if Contractor does not fully and completely comply with these Special Conditions. If this Contract is so terminated, the Contractor shall be liable for actual and consequential damages to SEMSWA WAE.

CERTIFICATION BY CONTRACTOR
EMPLOYMENT OF ILLEGAL ALLIENS

CH2M Hill, Inc., Contractor hereby certifies to SEMSWA WAE that, as of the date of execution of this Certification, it does not knowingly employ or contract with an illegal alien and that the Contractor has participated or attempted to participate in the Basic Pilot Program (created in Public Law 208, 104th Congress, As Amended, and expanded in Public Law 156, 108th Congress, As Amended, that is administered by the United States Department of Homeland Security) in order to verify that it does not employ illegal aliens.

Dated: October 23, 2006

CH2M Hill, Inc., Contractor

By James J. McMillin

Title: PROJECT DELIVERY LEADER

Certification to be executed and provided to SEMSWA WAE prior to execution of a contract with Contractor.

ATTACHMENT A

The Board of County Commissioners of Arapahoe County (“BOCC”) and CH2M Hill (“CONSULTANT”) entered into an Agreement for Engineering Services dated October 7, 2005, Project Number C99-039, as executed by David M. Schmit, P.E. pursuant to the authority granted to him in Resolution Number 05-0048. That agreement did not provide the complete funding needed for completion of the scope of work related to the startup of the Southeast Metro Stormwater Authority.

The Agreement for Engineering Services (“Agreement”) herein, between the Southeast Metro Stormwater Authority acting by and through SEMSWA WAE Board of Directors (“BOARD”) and CH2M HILL (“CONSULTANT”) provides the remaining funding needed for completion of the scope of work related to the startup of the Southeast Metro Stormwater Authority and SEMSWA WAE.

Now therefore, it is mutually agreed as follows:

1. The CONSULTANT shall provide engineering services on a time and materials basis for the scope of work items defined below. The CONSULTANT will primarily serve as the BOARD’s consultant on key issues related to establishment and management of the Southeast Metro Stormwater Authority and SEWSMA WAE. In general, the CONSULTANT will provide engineering services for the following:
 - Overall Project Management
 - Task 1 - Implementation Planning/Scheduling
 - Task 2 - Branding the New Stormwater Authority
 - Task 3 - Establishing an Authority Website
 - Task 4 - Public Outreach Materials (FAQs, etc.)
 - Task 5 - External Public Relations and Internal Communications Planning
 - Task 6 - Benefits and Retirement Support
 - Task 7 - Building and IT Establishment Support
 - Task 8 - Staff versus Revenue Comparison
 - Task 9 - Meeting Support (City/County/Ward/Board Meetings)
 - Task 10 - Loan Acquisition and Contracting Support
 - Task 11 - Financial and Accounting Support
 - Task 12 - Health and Safety Support
 - Task 13 - Procurement Support
 - Task 14 - Business Insurance Support
 - Task 15 - Staffing Transition Support
 - Task 16 - Policy, Procedures, Organization, and Administration Support
 - Task 17 - Other Unidentified Support As Requested

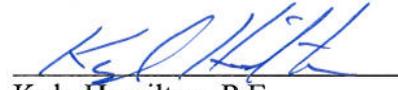
2. Due to the nature of this project, the work associated with the above tasks is not clearly defined. Specific work elements and deliverables will likely change as the project progresses, and therefore, specific budgets for each task can not be established at this time. Based on the original cost estimate for the above tasks (\$649,891) minus the amount previously contracted with the BOCC (\$250,000), the estimate to complete the tasks and the funding provided herein is \$399,891.
3. The BOARD is not obligated to pay for services, nor is CONSULTANT obligated to perform services, in excess of the total contract amount of \$399,891. Future addenda may be issued by the BOARD to allocate additional funds for these and/or additional tasks as needed.
4. The Time of Performance is through December 31, 2007.
5. CH2M HILL labor rates and expenses will be based on 2006 rates for work performed in 2006, and based on 2007 rates for work performed in 2007. The mileage rate will be based on the current Federal rate.

CH2M HILL


Larry Schimmoller, P.E.

Title: Project Delivery Leader

Attest:


Kyle Hamilton, P.E.

Approved By: _____
Bart Miller, SEMSWA WAE Board of Directors Chairman

EXHIBIT B

CH2M HILL FEE AND RATE SCHEDULE FOR THE SOUTHEAST METRO STORMWATER AUTHORITY

These rates are valid through December 31, 2006.

Labor Rates

<u>Labor Category</u>	<u>Grade</u>	<u>Average Hourly Rate</u>
Principal	E9, E8	Varies
Sr. Professional	E7, E6	\$135 - \$180/varies
Mid Professional	E5, E4, E3	\$95 - \$135
Jr. Professional	E2, E1, E0	\$85 - \$95
Sr. Technician	T5, T4	\$95 - \$100
Mid Technician	T3, T2	\$71
Jr. Technician	T1, TA	\$43
Office/Clerical	O	\$68

Per diem rates include allowances for salary, payroll taxes, fringe benefits, overhead, and profit, but do not include allowances for Expenses. These rates are subject to annual calendar year adjustments. A premium of 25% shall be added to the above rates for Expert Witness Testimony services at the direction of CH2M HILL, INC.

Expenses

<u>Expense Type</u>	<u>Rate</u>
Auto Mileage	Current Federal Mileage Rate
Auto Rental	Actual
Equipment Rental	Actual
Postage/Freight	Actual
Subcontractors and Outside Services	Actual
Other	Actual

Expenses are charges directly incurred on the project.