

ABC634

PAYMENTS-- Payments to the Engineer on account of his fee shall be made as follows: Upon completion of specifications, detail drawings, and the preparation of forms of notices to bidders, proposals and contracts a sum equal to seventy-five (75%) per cent of the basic rate computed upon a reasonable cost estimated upon such completed specifications and drawings, or if bids have been received, then computed upon the lowest bona fide bid or bids. From time to time during the execution of the work and in proportion to the value of construction work completed, payments may be made until the aggregate of all payments made on account of the fee under this Article shall be a sum equal to the rate of commission arising from this agreement, computed upon the final cost of the work.

For any additional service required by the Owner due to changes ordered by the Owner or due to causes beyond the control of the Engineer, the Owner shall pay the Engineer the expense of such additional service.

Said expense to be paid according to terms recommended by the Indiana Society of Professional Engineers which are quoted as follows:

"Said expense to be the amount of the payroll incidental to such additional service, plus one hundred per cent (100%) for overhead, readiness to serve, and profit; this expense also to include at net cost all other expenses incidental to this item, such as travel, telegrams, telephone calls, extra reproduction of prints, photos, specifications and other documents required for the proper execution of service to the client."

No deductions shall be made from the Engineer's fee on account of penalty, liquidated damages, or other sums withheld from payments to contractors.

4. SURVEYS, ETC. - The Owner shall so far as work under this agreement may require, furnish the Engineer, or permit him to copy surveys, plans, or any statistical data pertinent to the proposed improvements.

5. SUPERVISION OF THE WORK - The Engineer shall endeavor to guard the Owner against defects and deficiencies in the work of contractors, but he does not guarantee the performance of their contracts. The supervision of an Engineer is to be distinguished from the continuous personal superintendence to be obtained by the employment of an Inspector. The Owner may employ a competent Inspector who shall be paid by the Owner from the funds set up for the construction of the works, or the Engineer will provide for continuous supervision for an additional fee of two per cent (2%) of the final construction cost upon a written request of the Owner.

6. DEFINITION OF THE COST OF THE WORK - The cost of the work as herein referred to, means the total construction cost of the works including all materials, equipment and labor, but such cost shall not include any land, legal, or engineer's fees, the compensation of an inspector, or similar non-construction costs.

7. OWNERSHIP OF DOCUMENTS - Drawings and specifications as instruments of service are the property of the Engineer whether the work for which they are made be executed or not. The Engineer will furnish the Owner with sufficient drawings and specifications as required for construction and for operation.

8. SUCCESSORS AND ASSIGNMENTS -The Pwner and the Engineer, each binds himself, his partners, successors, executors, administrators, and assigns to the other party to this agreement, and to the partners, successors, executors, administrators and assigns of such other party in respect to all covenants of this agreement.

Except as above, neither the Owner nor the Engineer shall assign, sublet, or transfer his interest in this agreement without the written consent of the other.

9. ARBITRATION - All questions in dispute under this agreement shall be submitted to arbitration at the choice of either party. Both parties agree to abide by the decision of the board of disinterested arbitrators, composed of one member selected by the Owner, one by the Engineer, or his representatives, and thse two to select a third.

The Owner and the Engineer hereby agree to the full performance of the covenants contained herein.

IN WITNESS WHEREOF they have executed this agreement, the day and year first above written.

CITY OF LEBANON, INDIANA

BY \_\_\_\_\_ BOARD OF PUBLIC WORKS

\_\_\_\_\_ MAYOR

\_\_\_\_\_ CITY ATT'Y.

\_\_\_\_\_ MEMBER

ATTEST:

\_\_\_\_\_  
CITY CLERK

LEBANON UTILITIES BOARD

\_\_\_\_\_ CHAIRMAN

\_\_\_\_\_ MEMBER

\_\_\_\_\_ MEMBER

ATTEST:

\_\_\_\_\_

PAUL J. KLEISER & ASSOCIATES  
CONSULTING ENGINEERS

BY \_\_\_\_\_ PARTNER

\_\_\_\_\_ PARTNER