

March 3, 2020

Mr. Adam Lanning  
City of Rochelle  
420 North 6<sup>th</sup> Street  
Rochelle, IL 61068

***Subject: City of Rochelle – NPDES Compliance Assistance (IL0030741)***

Dear Mr. Lanning,

Thank you for meeting with us on January 21, 2020, to discuss the requirements of your NPDES permit (IL0030741). This is a proposal to provide engineering services to assist the City with three Special Conditions (SC) of your NPDES permit:

SC11 – Industrial User Inventory and Pretreatment Activities Report  
SC18 – Phosphorous Discharge Optimization Plan (PDOP)  
SC19 – Phosphorous Feasibility Study

Excluded from these services is assistance with Special Condition SC17:

SC17 – Capacity, Management, Operations and Maintenance (CMOM) Plan

Over the past month, you have decided to prepare your CMOM in-house. We stand ready to provide peer review, guidance, or whatever assistance you may need as you prepare your CMOM. However, those services are not included in the scope of this proposal.

***PROJECT UNDERSTANDING***

The City is required to prepare and submit the reports and plans listed above to comply with the City's Water Reclamation Facility (WRF) NPDES Permit Special Conditions 11, 18, and 19. These three Special Conditions are new to the WRF's NPDES permit with the Effective Date of September 1, 2019 and are one-time compliance reports. The one caveat is that annual reports for the SC 18 PDOP are required by March 31 annually beginning twelve (12) months after the effective date of the permit. Therefore beginning after September 1, 2020, the first annual report for the PDOP will be due by March 31, 2021, and then recurring annually for the duration of the NPDES permit. These Annual Reports are excluded from the scope of this project.

The scope for each of the Special Condition projects are listed below.

## ***SPECIAL CONDITION 11 – INDUSTRIAL USER SURVEY AND PRETREATMENT ACTIVITIES REPORT***

### **Project Description**

The City is required to prepare and submit the Industrial User Inventory and Pretreatment Activities Report to comply with the City's WRF NPDES Permit Special Condition 11, due by August 31, 2020. Industrial Surveys of non-permitted industries were evaluated in Phase 1 of the previous Survey project (Engineer's Project No. 180083.30), resulting in eight-site inspections of industries to gather detailed information for classification. These industries were then classified during Phase 2 of the Survey project (Engineer's Project No. 190099.30). It was determined that two of the non-permitted industries identified in Phase 1 are Categorical Industrial Users (CIU).

The next step to complete SC11, Industrial User Inventory, is to confirm the classification of the existing industries in the Rochelle Pretreatment Program with active discharge permits. The information collected from previous Phases 1 and 2 combined with the existing permittee classification evaluation will be used to create the inventory of all CIU and Significant Industrial Users (SIU) to be submitted with a pretreatment activities report to IEPA and USEPA Region 5.

### **SC 11 - Scope of Services and Approach**

#### ***Part 1 - Notification to Unpermitted CIUs and Non-Significant IUs***

The City of Rochelle must formally notify the **unpermitted** CIUs, identified during the previous Phase 2 industrial user survey, of their classification. In addition, the industries that were determined to be Non-Significant Industrial Users must be notified of the findings of their classification.

Below are the steps that Baxter & Woodman will take to provide the necessary notification to these CIUs and Non-Significant IUs:

1. Baxter & Woodman will prepare a classification letter for the two CIUs found in Phase 2, which will formalize their classification and provide supporting documentation.
2. The City will mail the classification letters to the CIUs. These letters must be submitted with a return receipt or similar tracking to document proof of receipt by the industries of the classification letters.
3. Baxter & Woodman will prepare a form letter for the City to send to the industries that were classified as a Non-Significant Industrial User. The City will use this form letter to prepare the letters to the necessary industries.

#### ***Part 2 - Classification of the Permitted IUs***

All currently **permitted** IUs must be screened with a survey to gather enough information to confirm classification for each of them. There are currently 27 permitted industrial users. It is expected that industries may be:

- Be easily classified from the information collected by the survey,

- Need a site inspection to determine the classification, or
- Be found to no longer need to be permitted.

Below are the steps included in Part 2. To make this phase cost effective, this Project includes a division of labor between Baxter & Woodman staff and City staff.

1. Have a telephone conference kickoff meeting with the City staff and Baxter & Woodman staff to walk through the project steps and confirm task assignments between the City and Baxter & Woodman as outlined in this Proposal.
2. The City will provide a copy of the industry files including permit applications, permits, site inspections, and any other documents that include pertinent information regarding operation and discharge. Baxter & Woodman will review this information.
3. The existing 27 permitted industrial users will be surveyed using the paper survey, online GIS survey system, cover letter, and instructions that were prepared during the Phase 1 Survey project. The City will print and mail all survey packets to the existing permitted industrial users.
4. The City will take calls from the permitted industrial survey recipients and answer their general survey questions. Baxter & Woodman will take calls on technical assistance with the online survey.
5. The City will receiving any surveys completed on paper, and will scan and email completed surveys to Baxter & Woodman.
6. For any surveys not completed by the due date of the initial mailing, the City will contact the non-respondent permitted industries either on the phone or in person to collect the survey information.
7. Baxter & Woodman will manually enter information from the PDF surveys received by the City into the GIS Survey system.
8. Baxter & Woodman will screen all completed industrial surveys along with the industry files to prepare for a conference call with each permitted industry and the City. This conference call will help obtain pertinent additional operational and discharge information needed to classify each industry.
9. When all conference calls have been completed, Baxter & Woodman will determine if the industry can be classified or if a site inspection is required.
10. Baxter & Woodman will provide to the City a list of IUs for which a site inspection is recommended.
11. The City will schedule site inspections for a City representative and Baxter & Woodman to attend up to 12 site inspections from the existing permitted industry list. These site inspections are expected to take no more than 3 trips to Rochelle, and no more than 30 hours in total, including travel time. If the total time to complete this portion of work exceeds 12 site inspections (or 30

hours), Baxter & Woodman will discuss with the City an amendment to this proposal for the additional time.

12. When all site inspections have been completed and all site inspection documentation received from the City, Baxter & Woodman will determine the classification of all surveyed industrial users and prepare documentation of the results for the City's records and use in their pretreatment program.
13. Baxter & Woodman will update the GIS database to include all notes, documentation, and industry classifications.
14. Baxter & Woodman will write the report to satisfy the requirements of NPDES Permit Special Condition 11 industrial pretreatment report for submittal to IEPA and USEPA Region 5.

***END OF SCOPE FOR SPECIAL CONDITION 11***

## ***SPECIAL CONDITION 18 – PHOSPHORUS DISCHARGE OPTIMIZATION PLAN***

### **Project Description**

The City is required to prepare and submit a plan that evaluates a range of measures for reducing phosphorus discharges from the treatment plant, including possible source reduction measures, operational improvements, and minor low cost facility modifications that will optimize reductions in phosphorus discharges from the WRF. Both Influent and Effluent Reduction Measures will be considered when evaluating the phosphorus discharge optimization plan.

### **SC 18 - Scope of Services and Approach**

#### ***Influent Reduction Measures***

The Influent phosphorus reduction measures, in part, require the investigation of existing industrial/commercial users to determine if any are potential candidates for phosphorus source reduction measures. In Phases 1 and 2 of the previous Industrial User Survey, Baxter & Woodman and the City investigated industrial users that are not currently permitted by the City. At the conclusion of survey Phases 1 and 2, recommendations were made regarding further investigation into potential sources of phosphorus. These recommendations included:

- Blue Beacon Truck Wash - Sampling the discharge for phosphorus and metals; review of water records;
- News Media Corp – composite sampling of discharge for phosphorus, copper, chrome, lead, and zinc; review of water records.

The steps below identify the process required to complete the requirements of SC18, excluding the Annual Reports:

1. Baxter & Woodman and the City will discuss the industries that will require sampling for phosphorus discharges. Two of these industries will be the Blue Beacon Truck Wash and News Media Corp to fulfill the recommendations from Phase 2 of the Industrial User Survey.
2. Baxter & Woodman will screen the existing permitted IUs for their phosphorous discharge potential during the SC 11 Survey effort (described above) and identify which, if any, of the existing IUs require sampling for phosphorous.
3. The City will complete any sampling and laboratory analysis necessary to quantify total phosphorus in IU wastewater discharges.
4. Baxter & Woodman will use sampling reports and flow data to determine which users discharge significant amounts of phosphorus, relative to the influent at the treatment plant.
5. Baxter & Woodman will determine which users may have potential to reduce phosphorus discharges.
6. The City and Baxter & Woodman will discuss the potential industries for phosphorus reduction to determine if limits can or should be applied to the industrial user to reduce their phosphorus discharge.

7. Baxter and Woodman will develop the report for the Phosphorus Discharge Optimization Plan for submittal to IEPA to meet the requirements of Special Condition 18.

***Effluent Reduction Measures***

Effluent Reduction Measures are part of the Phosphorus Discharge Optimization Plan. However, the Effluent Reduction Measures will be evaluated in greater detail in the Phosphorus Feasibility Study. The costs for the Effluent Reduction Measures are included with the Phosphorus Feasibility Study.

Baxter & Woodman will discuss possible methods of optimizing phosphorus removal within the existing BNR treatment process by adjusting biological measures and controls. Possible measures that will be analyzed in the Phosphorus Feasibility Study include:

1. Adjust the solids retention time for either nitrification, denitrification, or biological phosphorus removal.
2. Adjust aeration rates to reduce DO and promote simultaneous nitrification-denitrification.
3. Change aeration settings in plug flow basins by turning off air or mixers at the inlet side of the basin system.
4. Minimize impact on recycle streams by improving aeration within holding tanks.
5. Increase volatile fatty acids for biological phosphorus removal.

***END OF SCOPE FOR SPECIAL CONDITION 18***

## ***SPECIAL CONDITION 19 – PHOSPHORUS FEASIBILITY STUDY***

### **Project Description**

Within 36 months of the effective date of the WRF's NPDES permit, the City is required to prepare and submit to the IEPA a feasibility study that evaluates the method, timeframe, and construction and O & M costs of reducing phosphorus levels in its discharge to a level consistently meeting a limit of a potential future limit of 1.0 mg/L, 0.5 mg/L, and 0.1 mg/L utilizing a range of treatment technologies including, but not necessarily limited to, biological phosphorus removal, chemical precipitation, or a combination of the two. The study shall evaluate the construction and O & M costs of the different treatment technologies for these limits on a monthly, seasonal, and annual average basis. This report is due by August 31, 2021. Annual reports beyond August 31, 2021 are not included in the scope of this project.

For the Phosphorus Feasibility Study, the Engineer will evaluate improvements required to convert the BNR treatment process currently under construction to include chemical phosphorus removal (Chem-P) to meet phosphorus effluent limits of 1 mg/L, 0.5 mg/L and 0.1 mg/L. The study will also assume an 8.0 mg/L effluent "goal" for nitrogen, which is the "goal" that IEPA is imposing on any major plant that is being expanded or is doing significant work on its secondary treatment system.

The Project will include development of a baseline model to simulate and evaluate existing WRF performance after the BNR treatment process has completed construction, using the BioWin™ software. The baseline model will be based on operational data and laboratory testing results, including testing to determine the readily biodegradable fraction of Chemical Oxygen Demand (rbCOD). A future conditions model will be developed to evaluate the three alternatives required to meet the three different phosphorus effluent limits of 1 mg/L, 0.5 mg/L and 0.1 mg/L.

The sampling and laboratory testing required for the BioWin™ model will be performed by either the City lab or a private lab. If a private lab, the City will retain the private lab and pay its fees under an agreement that is separate from this Engineering Services Agreement. The cost of private lab services is not included in the Engineers' fee.

For each technology and each phosphorus discharge level evaluated, the study shall also evaluate the amount by which the Permittee's typical household annual sewer rates would increase if the Permittee constructed and operated the specific type of technology to achieve the specific phosphorus discharge level.

### **SC 19 - Scope of Services and Approach**

The report for the Phosphorus Feasibility Study will include:

1. The modeling results.
2. An evaluation of alternative solutions for phosphorus effluent limits of limit of 1 mg/L, 0.5 mg/L and 0.1 mg/L and an 8.0 mg/L effluent total nitrogen "goal".

3. An opinion of probable construction cost for the proposed improvements and projected increase in annual O&M cost for each alternative.
4. The amount by which the typical household annual sewer rates would increase for each alternative.
5. A phasing plan for the proposed improvements.

The following scope of services details the anticipated tasks necessary to successfully complete this Project.

1. ADMINISTRATION & MEETINGS – Confer with the City’s staff, from time to time, to clarify and define the general scope, extent, and character of the Project.
2. PROJECT MANAGEMENT - Plan, schedule, and control the activities that must be performed to complete the Project. These activities include, but are not limited to, budget, schedule, and scope.
3. DATA ACQUISITION – Collect operating information and plant records from the City, including, but not limited to, discharge monitoring reports (DMRs), operating reports, laboratory data, previous facility plan reports, and WRF Basis of Design.
  - A. The City and Baxter & Woodman will prepare the data for the influent reduction measures as discussed under SC 18 – Phosphorus Discharge Optimization Plan Section.
4. LABORATORY TESTING – The City will, either with its own staff and lab, or by engaging the services of a private laboratory, collect and analyze samples, and prepare a report of the sampling results.
  - A. Baseline Modeling:
    - 1) The City will collect samples and analyze for chemical oxygen demand (COD), determine the readily biodegradable fraction (rbCOD) and other fractions.
    - 2) The City will be responsible for collecting samples and having them tested. The testing will be performed on multiple samples collected on different dates.
  - B. Influent Reduction Measures:
    - 1) See SC 18 – Phosphorus Discharge Optimization Plan Section
5. ASSESS PRESENT CONDITIONS
  - A. Phosphorus Feasibility Study: Review and determine existing facility capacities. Using BioWin™ software, prepare a simulation and optimization model of the plant to establish baseline operating conditions and evaluate performance limitations. The baseline shall consider and include, but not be limited to, the following:
    - 1) BNR Activated Sludge System including Blowers
    - 2) Final Clarifiers
    - 3) Tertiary Sand Filters

- 4) RAS/WAS Pump Station
  - 5) Sludge Thickening and Dewatering
  - 6) System Layout
- B PHOSPHORUS DISCHARGE OPTIMIZATION PLAN – See SC 18 – Phosphorus Discharge Optimization Plan Section.
4. BASIS OF DESIGN - Develop a Basis of Design that takes into account the current actual loading conditions and the projected increase in loading using standards and design criteria from the Illinois Recommended Standards for Sewage Works and considering potential phosphorus effluent limits of 1.0, 0.5, and 0.1 mg/L and a nitrogen effluent “goal” of 8.0 mg/L. This is the Basis of Design on which the BioWin™ modeling will be based.
5. ASSESS FUTURE REQUIREMENTS
- A. Phosphorus Feasibility Study: Identify future forecasted effluent limits. Determine the new treatment processes and modifications necessary to meet forecasted nutrient effluent limits. Modify the BioWin™ model of the plant based on the process modifications to simulate, evaluate, and optimize process performance for the BNR processes currently under construction. The model will include the following:
- 1) ACTIVATED SLUDGE – Determine activated sludge tank requirements. Determine if existing tanks zones for aerobic, anaerobic, and / or anoxic operation can be modified for optimized removal.
  - 2) FINAL CLARIFIERS - Determine the impacts of BNR on the size and performance of the secondary clarifiers. Determine if any improvements, such as a flocculation zone or Stamford baffles, should be added to the existing clarifiers.
  - 3) TERTIARY SAND FILTERS - Determine the impacts of BNR and if any improvements, such as a chemical addition or cloth filters, should be added after the final clarifiers.
  - 4) CHEMICAL STORAGE AND FEED FACILITIES – Determine the chemical storage and feed facilities required for chemical phosphorus removal (Chem-P) and for carbon supplementation facilities. Size and select equipment and building.
  - 5) AERATION EQUIPMENT - Determine optimal air requirements for BNR and determine if any changes are required to the existing aerators.
  - 6) RAS/WAS PUMP STATION, INTERNAL RECYCLE FLOWS, AND SLUDGE FERMENTATION – Determine return and waste activated sludge pumping requirements. Determine the modifications required to the internal mixed liquor recycle. Determine whether Primary sludge or RAS fermentation is required for additional volatile fatty acid (VFA) generation or carbon supplementation.

- 7) SLUDGE THICKENING – Evaluate impact of filtrate from WAS thickening equipment.
  - 8) SLUDGE DEWATERING – Evaluate impact of filtrate from dewatering equipment.
  - 9) CONTROL SYSTEM - Determine required modifications to the existing SCADA system.
  - 10) SYSTEM LAYOUT – Develop a layout of a modified wastewater treatment system combining all aspects of an optimized phosphorus removal facility for 1.0 mg/L, 0.5, and 0.1 mg/L and a nitrogen effluent “goal” of 8.0 mg/L.
- B PHOSPHORUS DISCHARGE OPTIMIZATION PLAN – See SC 18 – Phosphorus Discharge Optimization Plan Section.
6. DEVELOP AND EVALUATE ALTERNATIVES
- A. Phosphorus Feasibility Study: Perform a cost effective analysis for three alternatives. The three alternatives will be the improvements required to optimized the BNR process currently under construction for each of the three levels of Phosphorus effluent limits (1.0, 0.5, and 0.1 mg/L). Develop a recommended plan based on discussion with City’s staff.
  - B. Phosphorus Discharge Optimization Plan – See SC 18 – Phosphorus Discharge Optimization Plan Section.
7. COST ESTIMATES – For only the Phosphorus Feasibility Study, prepare opinions of the probable total Project cost including construction, engineering services, contingencies, and, on the basis of information furnished by the City, allowances for legal services, financial consultants, and any administrative services or other costs necessary for each of the three levels of Phosphorus effluent limits (1.0, 0.5, and 0.1 mg/L).
8. IMPACT ON SEWER RATES – For each of the three alternatives, the Engineer will evaluate the amount by which the typical household annual sewer rate would increase. The total impact will be the sum of two components: Debt Service and O&M Cost Increase. This scope of services does not include a sewer rate study beyond these simple calculations.
- A. Debt Service Impact: For each alternative, the Engineer will estimate the capital costs. Assuming that the City will borrow the money to pay those capital costs, the Engineer will determine the annual payment required to pay-off a 20-year loan. The annual payment will be divided by the number of households to yield the annual cost per household. This will be divided by the average household’s water use to determine the \$/1,000 gallons for debt service.
  - B. O&M Impact: For each alternative, the Engineer will estimate the increase in annual O&M cost. This annual increase in O&M cost will be divided by the number of households to yield

the annual O&M cost increase per household. This will be divided by the average household's water use to determine the \$/1,000 gallons for the O&M cost increase.

9. PHOSPHORUS FEASIBILITY STUDY REPORT – Prepare a Planning Report containing schematic layouts, sketches, conceptual design criteria with appropriate exhibits to indicate clearly the considerations involved, and the alternative solutions available to the City and setting forth the Engineer's findings and recommendations for the improvements that are required to meet each of the three levels of Phosphorus effluent limits (1.0, 0.5, and 0.1 mg/L). Provide three copies of the Report to the City for review, comments and approval.

B The Report will include the following:

- 1) An evaluation of the capacity of existing facilities to meet each of the three levels of Phosphorus effluent limits (1.0, 0.5, and 0.1 mg/L) based on operating data and the facility baseline model.
  - 2) A basis of design.
  - 3) An evaluation of the cost-effectiveness and feasibility of alternatives based on the proposed facility modification models.
  - 4) A process flow diagram for the facility showing existing, proposed, and future facilities for each of the three levels of Phosphorus effluent limits (1.0, 0.5, and 0.1 mg/L).
  - 5) A schematic layout for the facility showing existing, proposed, and future facilities for each of the three levels of Phosphorus effluent limits (1.0, 0.5, and 0.1 mg/L).
  - 6) A site plan for the entire WRF property owned by the City showing existing, proposed and future facilities for each of the three levels of Phosphorus effluent limits (1.0, 0.5, and 0.1 mg/L).
  - 7) Cost Estimates (see Item 7)
10. FINAL REPORT - Incorporate final comments in the Final Report. Provide one hardcopy and one softcopy on electronic media of the Final Report to the City, for review, comments and approval.

***END OF SCOPE FOR SPECIAL CONDITION 19***

**ENGINEERING SCHEDULE & FEE**

The Owner shall pay the Engineer for the services performed or furnished based upon the Engineer's standard hourly billing rates for actual work time performed plus reimbursement of out-of-pocket expenses including travel **a lump sum amount of \$71,250.00**. The fee breaks down as follows:

SC11 – Industrial User Inventory and Pretreatment Activities Report	\$33,470
SC18 – Phosphorous Discharge Optimization Plan (PDOP)	Included in 11 & 19
SC19 – Phosphorous Feasibility Study	\$37,780
Total Fee	\$71,250

The above breakdown is for informational purposes only. Baxter & Woodman, Inc. is allowed to charge more or less for each of the reports, but the total fee will not exceed \$71,250.

Special Condition 11 is due by August 31, 2020. The Special Conditions 18 and 19 are due by August 31, 2022.

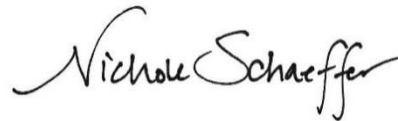
We look forward to working with you on this important compliance project. If this proposal is acceptable, **please sign below return one copy for our files**. The attached standard terms and conditions apply to this proposal. Please contact Ms. Nichole Schaeffer at 815-444-3372 if you should have any questions or need additional information.

Sincerely,

BAXTER & WOODMAN, INC.  
CONSULTING ENGINEERS



Derek J. Wold, PE  
Executive Vice President



Nichole Schaeffer, P.E., BCEE  
Environmental Department Manager

**CITY OF ROCHELLE, ILLINOIS**

ACCEPTED BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

# STANDARD TERMS AND CONDITIONS

**Agreement** - These Standard Terms and Conditions, together with the letter proposal, constitute the entire integrated agreement between the Owner and Baxter & Woodman, Inc. (BW) and take precedence over any other provisions between the Parties. These terms may be amended, but only if both parties consent in writing.

**Owner's Responsibility** - Provide BW with all criteria and full information for the Project. BW will rely, without liability, on the accuracy and completeness of all information provided by the Owner including its consultants, contractor, specialty contractors, manufacturers, suppliers and publishers of technical standards without independently verifying that information. The Owner warrants that all known hazardous materials on or beneath the site have been identified to BW. BW and their consultants shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, unidentified or undisclosed hazardous materials unless this service is set forth in the proposal.

**Schedule for Rendering Services** - The agreed upon services shall be completed within a reasonable amount of time. If BW is hindered, delayed or prevented from performing the services as a result of any act or neglect of the Owner or force majeure, BW's work shall be extended and the rates and amounts of BW's compensation shall be equitably adjusted in writing executed by all Parties.

**Invoices and Payments** - The fees to perform the proposed scope of services constitute BW's estimate to perform the agreed upon scope of services. Circumstances may dictate a change in scope, and if this occurs, an equitable adjustment in compensation and time shall be made by all parties. No service for which added compensation will be charged will be provided without first obtaining written authorization from the Owner. BW invoices shall be due and owing by Owner in accordance with the terms and provisions of the Local Government Prompt Payment Act.

**Opinion of Probable Construction Costs** - BW's opinion of probable construction costs represents its reasonable judgment as a professional engineer. Owner acknowledges that BW has no control over construction costs of contractor's methods of determining prices, or over competitive bidding, of market conditions. BW cannot and does not guarantee that proposals, bids, or actual construction costs will not vary from BW's opinion of probable construction costs.

**Standards of Performance** - (1) The standard of care for all services performed or furnished by BW, will be completed with the same care and skill ordinarily used by professionals practicing under similar circumstances, at the same time and in the same locality on similar projects. BW makes no guarantees or warranties, express or implied, in connection with its services; (2) BW shall be responsible for the technical accuracy of its services and documents; (3) BW shall use reasonable care to comply with all applicable laws and regulations and Owner-mandated standards; (4) BW may employ such sub-consultants as BW deems necessary to assist in the performance or furnishing of the services, subject to reasonable, timely, and substantive objection by Owner; (5) BW shall not supervise, direct, control, or have authority over any contractor work, nor have authority over or be responsible for the means, methods, techniques sequences, or procedures of construction selected or used by any contractor, or the safety precautions and programs incident thereto, for security or safety of the site, nor for any failure of a contractor to comply with laws and regulations applicable to such contractor's furnishing and performing of its work; (6) BW neither guarantees the performance of any contractor nor assumes responsibility for contractor's failure to furnish and perform the work in accordance with the contract documents; (7) Engineer is not acting as a municipal advisor as defined by the Dodd-Frank Act. Engineer shall not provide advice or have any responsibility for municipal financial products or securities. (8) BW is not responsible for the acts or omissions of any contractor, subcontractor, or supplier, or any of their agents or employees or any other person at the site or otherwise furnishing or performing any work; (9) Shop drawing and submittal review by BW shall apply to only the items in the submissions and only for the purpose of assessing if upon installation or incorporation in the Project work they are generally consistent with the construction documents. Owner agrees that the contractor is solely responsible for the submissions (regardless of the format in which provided, i.e. hard copy or electronic transmission) and for compliance with the construction documents. Owner further agrees that BW's review and action in relation to these submissions shall not constitute the provision of means, methods, techniques, sequencing or procedures of construction or extend to safety programs or precautions. BW's consideration of a component does not constitute acceptance of the assembled item; (10) BW's site observation during construction shall be at the times agreed upon in the Project scope. Through standard, reasonable means, BW will become generally familiar with observable completed work. If BW observes completed work that is inconsistent with the construction documents, that information shall be communicated to the contractor and Owner for them to address.

**Insurance** - BW will maintain insurance coverage with the following limits and Certificates of Insurance will be provided to the Owner upon written request:

Worker's Compensation:	Statutory Limits	Excess Umbrella Liability:	\$5 million per claim and aggregate
General Liability:	\$1 million per claim	Professional Liability:	\$5 million per claim
	\$2 million aggregate		\$5 million aggregate
Automobile Liability:	\$1 million combined single limit		

BW's liability under this Agreement, based on any theory of liability or for any cause of action, shall not exceed the total amount of BW's contract amount for the project. Any claim against BW arising out of this Agreement may be asserted by the Owner, but only against the entity and not against BW's directors, officers, shareholders or employees, none of whom shall bear any liability and may not be subject to any claim.

**Indemnification and Mutual Waiver** – (1) To the fullest extent permitted by law, BW shall indemnify and hold harmless the Owner and its officers and employees from claims, costs, losses, and damages arising out of or relating to the Project, provided that such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, including the loss of use resulting therefrom, but only to the extent caused by any negligent act or omission of BW or its officers, directors, employees, agents, or consultants; (2) Owner shall indemnify and hold harmless BW and its officers, directors, employees, agents and consultants from and against any and all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court, arbitration, or other dispute resolution costs) arising out of or relating to the Project provided that any such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death of to injury or destruction of tangible property, including the loss of use resulting therefrom, but only to the extent caused by any negligent act or omission of Owner or its officers, directors, employees, consultants, or others retained by or under contract to the Owner with respect to this Agreement or to the Project; (3) To the fullest extent permitted by law, Owner and BW waive against each other, and the other's employees, officers, directors, insurers, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the Project; (4) In the event claims, losses, damages or expenses are caused by the joint or concurrent negligence of the ENGINEER and OWNER, they shall be borne by each party in proportion to its negligence; (5) The Owner acknowledges that BW is a business corporation and not a professional service corporation, and further acknowledges that the corporate entity, as the party to this contract, expressly avoids contracting for individual responsibility of its officers, directors, or employees. The Owner and BW agree that any claim made by either party arising out of any act of the other party, or any officer, director, or employee of the other party in the execution or performance of the Agreement, shall be made solely against the other party and not individually or jointly against such officer, director, or employees.

**Termination** - Either party may terminate this Agreement upon ten (10) business days' written notice to the other party in the event of failure by the other party to perform with the terms of the Agreement through no fault of the terminating party. A condition precedent to termination shall be an opportunity for the Parties to meet. If this Agreement is terminated, Owner shall receive reproducible copies of drawings, developed applications and other completed documents. Owner shall be liable for, and promptly pay for all services and reimbursable expenses rendered to the date of suspension/termination of services.

**Use of Documents** - BW documents are instruments of service and BW retains ownership and property interest (including copyright and right of reuse). Client shall not rely on such documents unless in printed form, signed or sealed by BW or its consultant. Electronic format of BW's design documents may differ from the printed version and BW bears no liability for errors, omissions or discrepancies. Reuse of BW's design documents is prohibited and Client shall defend and indemnify BW from all claims, damages, losses and expenses, including attorney's fees, consultant/expert fees, and costs arising out of or resulting from said reuse. BW's document retention policy will be followed upon Project closeout, and project documents will be kept for a period of 14 years after Project closeout.

**Successors, Assigns, and Beneficiaries** – Nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by Client or BW to any third party, including any lender, Contractor, Contractor's subcontractor, supplier, manufacturer, other individual, entity or public body, or to any surety for or employee of any of them. All duties and responsibilities undertaken pursuant to this Agreement are for the sole and exclusive benefit of the Client and BW and not for the benefit (intended, unintended, direct or indirect) of any other entity or person.

**Dispute Resolution** - All disputes between the Parties shall first be negotiated between them for a period of thirty (30) days. If unresolved, disputes shall be then submitted to mediation as a condition precedent to litigation. If mediation is unsuccessful, litigation in the county where the Project is pending shall be pursued.

**Miscellaneous Provisions** – (1) This Agreement is to be governed by the law of the state or jurisdiction in which the Project is located. (2) All notices must be in writing and shall be deemed effectively served upon the other party when sent by certified mail, return receipt requested; (3) All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion or termination for any reason; (4) Any provision or part of the Agreement held to be void or unenforceable under any Laws or Regulations shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon the Owner and BW, which agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close to expressing the intention of the stricken provision; (5) A party's non-enforcement of any provision shall not constitute a waiver of the provision, nor shall it affect the enforceability of that provision or of the remainder of this Agreement; (6) To the fullest extent permitted by law, all causes of action arising under this Agreement shall be deemed to have accrued, and all statutory periods of limitation shall commence, no later than the date of substantial completion, which is the point where the Project can be utilized for the purposes for which it was intended.