

AGREEMENT FOR ENGINEERING SERVICES
FOR PLANNING AND DESIGN

This Agreement, entered into this 3rd day of August, 2006, by and between The City of Jonesboro, AR hereafter referred to as the "Owner", and SSR Ellers, Inc. hereinafter referred to as the "Engineer."

The Owner intends to construct Drainage Improvements to Area #7 in the City of Jonesboro, State of Arkansas, for which project the Engineer agrees to perform various professional engineering services.

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 attend conferences with the Owner, or other interested parties as may be necessary.
2. The Engineer will submit the planning and design documents for Alternative 7-3 as presented in the preliminary engineering submission on 8/1/06.
3. 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 opinion of cost based on the final design of 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 cost incident to such explorations shall be paid for by the Owner.
4. The drawings prepared by the Engineer under the provisions of Section A-3 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 compensations, three copies of a map(s) showing the general locations of needed construction easements and permanent easements and the land to be acquired.
5. 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 their performance by the Engineer or by the Engineer's employees of the Engineer's functions and services required under this Agreement.

Section B - Compensation for Engineering Services

1. The Owner shall compensate the Engineer for planning and design engineering services, based on the following project phases:
 - a. Design Documents: \$60,000.00
 - b. Construction Observation: \$40,000.00
(Includes 70 working days of observation - additional observation provided on an hourly basis (@: \$60/hr)
Construction Observation will only be performed at the written request of the City.
2. Times of payment: Engineer shall submit statements to Owner after completion of each phase of the project, as shown in Section B-1, and include any Reimbursable Expenses incurred in addition to those services as required in Section A.
 - a. Reimbursable Expenses mean the actual expenses incurred by Engineer or Engineer's independent professional associates or consultants, directly or indirectly in connection to the Project, such as expenses for: transportation, other than to the project site, and subsistence incidental thereto; if required, providing and maintaining field office facilities including furnishings and utilities; reproduction of reports, Drawings, Specifications, Bidding Documents, and similar Project-related items in addition to those required under Section A; and, if authorized in advance by Owner, overtime work requiring higher than regular rates.
 - b. If Engineer's services for the project are delayed or suspended in whole or in part by Owner for more than three months for reasons beyond Engineer's control, Engineer shall on written demand to Owner (but without termination of this Agreement) be paid as provided in Section D. If such delay or suspension extends for more than one year for reasons beyond Engineer's control, the various rates of compensation provided for elsewhere in this Agreement shall be subject to equitable adjustment.

Section C - Owner's Responsibilities

In connection with the project, the Owner's responsibilities shall include, but not be limited to the following:

1. Giving thorough consideration to all documents presented by the Engineer and informing the Engineer of all decisions within a reasonable time so as not to delay the work of the Engineer.
2. Making provision for the employees of the Engineer to enter public and private lands as required for the Engineer to perform necessary preliminary surveys and investigations.
3. Obtaining the necessary lands, easements and right-of-way for the construction of the work. All costs associated with securing the necessary land interests, including easement preparation, surveys, appraisals and abstract work, shall be borne by the Owner.
4. Furnishing the Engineer such plans and records bearing on the proposed work as may be in the possession of the Owner. Such documents or data will be returned upon completion of the work, or at the request of the Owner.
5. Paying the cost of making necessary soundings, borings, analysis of materials and laboratory work.
6. Paying all plan review costs and all cost of advertising in connection with the project.
7. Providing legal, independent cost estimating, accounting and insurance counseling services necessary for the project, and such auditing services as the Owner may require.
8. Furnishing permits and approvals from all governmental authorities having jurisdiction over the project and others as may be necessary for completion of the project.
9. Giving prompt written notice to the Engineer whenever the Owner observes or otherwise becomes aware of any defect in the project, or other events which may substantially alter the Engineer's performance under this Agreement.

Section D - Termination

1. The obligation to provide further services under this agreement may be terminated by either party upon thirty days' written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party.

In the event of termination by Owner upon the completion of any phase of the Section A Services, progress payment due Engineer for services rendered through such phase shall constitute total payment for such services. In the event of such termination by Owner during any phase of the Section A Services, Engineer will be paid for services rendered during that phase to date of termination of Engineer's principals and employees engaged directly on the Project. In the event of any such termination, Engineer also will be reimbursed for the charges of independent professional associates and consultants employed by Engineer to render Section A Services, and paid for all unpaid Additional Services and unpaid Reimbursable Expenses directly attributable to termination, which, if termination is at Owner's convenience, shall include an amount computed as a percentage of total compensation for Section A Services earned by Engineer to the date of termination.

2. The Salary Costs used as a basis for payment mean salaries and wages (basic and incentive) paid to all Engineer's personnel engaged directly on the project, including, but not limited to, engineers, architects, surveyors, designers, draftsmen, specification writers, estimators, other technical and business personnel; plus the cost of customary and statutory benefits including, but not limited to, social security contributions, unemployment, excise and payroll taxes, workers' compensation, health and retirement benefits, sick leave, vacation and holiday pay and other group benefits.

Section E - Additional Services and Charges

1. If authorized in writing by Owner, Engineer shall furnish or obtain from others Additional Services of the types listed in paragraphs 2 through 9, inclusive. These services are not included as part of Section A Services and shall be paid for by Owner as indicated in paragraph 10, 11 and 12
2. Services resulting from significant changes in the general scope, extent, character or design of the Project including, but not limited to, changes in size, complexity, Owner's schedule, character of construction or method of financing; and revising previously accepted studies, reports, design documents or Contract Documents when such revisions are required by changes in laws, rules, regulations.

ordinances, codes or orders enacted subsequent to the preparation of such studies, reports or documents, or are due to any other causes beyond Engineer's control.

3. Preparing documents for alternate bids requested by Owner for Contractor's work which is not executed or documents for out-of-sequence work. Investigations and studies involving, but not limited to, providing value engineering during the course of design, the preparation of feasibility studies, cash flow and economic evaluations, rate schedules and appraisals.
4. Furnishing services of independent professional associates and consultants for other than Section A Services and providing data or services of the types described in Section C when Owner employs Engineer to provide such data or services in lieu of furnishing the same in accordance with Section C.
5. Services during out-of-town travel required of Engineer other than visits to the Project site or Owner's office as required by Section A.
6. Assistance in connection with bid protest, rebidding or renegotiating contracts for construction, materials, equipment or services.
7. Providing any type of property boundary surveys or related engineering services needed for the transfer of interests in real property or setting of property corners, monuments or markers, engineering surveys and providing other special field surveys.
8. Preparing to serve or serving as a consultant or witness for Owner in any litigation, arbitration or other legal or administrative proceeding involving the Project (except for assistance in consultations which is included as part of Section A Services).
9. Additional services in connection with the Project, including services which are to be furnished by Owner in accordance with Section 3, and services not otherwise provided for in this Agreement.
10. For Additional Services of Engineer's principals and employees engaged directly on the Project and rendered pursuant to Section E (except services as a consultant or witness under paragraph 12) Engineer shall be paid on the basis of Engineer's Salary Costs times a factor of 2.5.
11. For services and Reimbursable Expenses of independent professional associates and consultants employed by Engineer to render Additional Services pursuant to Section E, Engineer shall be paid the amount billed to Engineer therefore times a

factor of 1.1.

12. For the services rendered by Engineer's principals and employees as consultants or witnesses in any litigation, arbitration or other legal or administrative proceeding in accordance with paragraph 8, Engineer shall be paid at the rate of \$800.00 per day, or any portion thereof (but compensation for time spent in preparing to appear in any such litigation, arbitration or proceeding will be on the basis provided in paragraph 10). Compensation for Engineer's independent professional associates and consultants will be on the basis provided in paragraph 11.

Section F - Other Provisions

1. Plans, Specifications and Contract Documents remain the property of the Engineer.
2. This agreement shall be binding upon the parties hereto, their partners, heirs, successors, administrators and assigns; and neither party shall assign, sublet or transfer his interest in this agreement without the prior written consent of the other party hereto.
3. Nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than Owner and Engineer and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and Engineer and not for the benefit of any other party. Nothing contained in this Contract shall prevent Engineer from employing such independent professional associates and consultants as Engineer may deem appropriate to assist in the performance of services hereunder.
4. This Agreement is to be governed by the law of the principal place of business of Engineer.

Section G - Opinions of Cost

1. Since Engineer has no control over the cost of labor, materials, equipment or services furnished by others, or over the Contractor's methods of determining prices, or over competitive bidding or market conditions, Engineer's opinions of probable Construction Cost provided for herein are to be made on the basis of Engineer's best judgement as an experienced and qualified professional engineer, familiar with the construction industry; but Engineer cannot and does not guarantee that proposals, bids or actual Construction Costs will not vary from

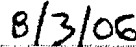
opinions of probable cost prepared by Engineer. If prior to the Bidding Phase Owner wishes greater assurance as to Construction Costs, Owner shall employ an independent cost estimator as provided in Section C.

IN WITNESS WHEREOF, the Owner has caused these presents to be executed in its behalf of its duly authorized representatives, and the said Engineer by its duly authorized representatives, and the parties hereto have set their hands and seal on the date heretofore set out.

SSR Ellers, Inc.



Brad Davis, PE
Director, SSR Ellers



Date