

PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO
AND TERRAGRAPHICS ENVIRONMENTAL ENGINEERING, INC.
FOR DESIGN/BUILD ENVIRONMENTAL REMEDIATION SERVICES

This Professional Services Agreement (hereinafter "Agreement") is made and entered into between the Moscow Urban Renewal Agency (hereinafter "AGENCY"), and TerraGraphics Environmental Engineering, Inc., an Idaho corporation, 121 S. Jackson, Moscow, Idaho, 83843, (hereinafter "CONSULTANT"), to provide environmental remediation design and construction services to AGENCY on the 6th and Jackson Groundwater Environmental Remediation (hereinafter "Project").

WITNESSETH:

WHEREAS, AGENCY wishes to retain the services of a professional firm to provide environmental remediation design and construction services (hereinafter "Professional Services"), to AGENCY; and

WHEREAS, CONSULTANT represents that it has the expertise, experience and personnel necessary to provide the Professional Services; and

WHEREAS, AGENCY and CONSULTANT (together, the Parties) wish to enter into an Agreement whereby AGENCY will retain CONSULTANT to provide the Professional Services for the 6th and Jackson Groundwater Environmental Remediation Project.

NOW, THEREFORE, be it agreed, for and in consideration of the mutual covenants and promises between the parties hereto, as follows:

ARTICLE I
CONSULTANT SERVICES

The above-listed recitals are true and correct and are hereby incorporated by reference.

1.1 Scope of Services. CONSULTANT shall perform the Professional Services as set forth in the 6th and Jackson Groundwater Remediation Design/Build Services Request for Proposals which is incorporated herein by reference.

1.2 Unique Professional Services. It is understood that this Agreement is for unique Professional Services. CONSULTANT represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the services required under this Agreement, in a thorough, competent and professional manner. Retention of the CONSULTANT's Professional Services is based on the particular professional expertise of the individuals rendering the services set forth in the Scope of Services. Accordingly, portions of the described services

may not be delegated to other members of the team or subconsultant(s) without prior written consent by AGENCY.

1.3 AGENCY Designated Representative and CONSULTANT Contact. CONSULTANT shall provide the Professional Services under the direction of a representative of AGENCY, designated by the AGENCY Supervisor (Designated Representative). AGENCY's Designated Representative shall communicate with CONSULTANT on all matters related to the administration of this Agreement and CONSULTANT's performance of the Professional Services rendered hereunder.

When this Agreement refers to communications to or with AGENCY, those communications will be with the Designated Representative, unless the Designated Representative or this Agreement specifies otherwise. Further, when this Agreement refers to an act or approval to be performed by AGENCY, that act or approval shall be performed by AGENCY Executive Director or designee, unless the Agreement specifies otherwise. In the event that CONSULTANT's designated representative becomes unavailable for any reason, AGENCY must be consulted as to any replacement CONSULTANT's contact. Further, AGENCY reserves the right, after consultation with CONSULTANT, to require removal of CONSULTANT's employees or agents from AGENCY matters.

1.4 Modification of Scope of Services. AGENCY may, without invalidating this Agreement, request changes in any Task or the scope of services by altering, adding to or deducting from the services to be performed. All such changes shall be in writing and shall be performed in accordance with the provisions of this Agreement. If any such changes cause an increase or decrease in CONSULTANT's cost of, or the time required for, the performance of any of the Professional Services, CONSULTANT shall immediately notify AGENCY.

1.5 Written Authorization. Throughout the term of this Agreement, CONSULTANT shall immediately advise AGENCY in writing of any anticipated changes to the performance of the work described herein, including any changes to the time for completion, and shall obtain AGENCY's written consent to the change prior to making any changes. In no event shall AGENCY's consent be construed to relieve CONSULTANT from its duty to render all Professional Services in accordance with applicable laws and accepted industry standards.

ARTICLE II DURATION OF AGREEMENT

2.1 Term of Agreement. This Agreement shall be effective on the date it is executed by the last Party to sign the Agreement. Unless otherwise terminated, this Agreement shall be effective until completion of the Scope of Services with CONSULTANT.

2.2 Time of Essence. Time is of the essence for each provision of this Agreement, unless otherwise specified in this Agreement.

2.3 Notification of Delay. CONSULTANT shall immediately notify AGENCY in writing if CONSULTANT experiences or anticipates experiencing a delay in performing the Professional

Services within the time frames set forth herein. The written notice shall include an explanation of the cause for, and a reasonable estimate of the length of, the delay. If in the opinion of AGENCY, the delay affects a material element of completion of the project, AGENCY may exercise its rights under Sections 2.5 and 2.6 of this Agreement.

2.4 Delay. If delays in the performance of the Professional Services are caused by unforeseen events beyond the control of the Parties, such delay may entitle CONSULTANT to a reasonable extension of time, but such delay shall not entitle CONSULTANT to damages or additional compensation. Any such extension of time must be approved in writing by AGENCY. CONSULTANT shall not be entitled to an extension of time for a delay caused by the acts or omissions of CONSULTANT.

2.5 AGENCY's Right to Terminate for Convenience. AGENCY may, at its sole option and for its convenience, terminate all or any portion of the Professional Services agreed to pursuant to this Agreement by giving written notice of such termination to CONSULTANT. After termination of this Agreement, CONSULTANT shall complete any and all additional work necessary for the orderly filing of documents and closing of CONSULTANT's Professional Services under this Agreement. For services rendered in completing the work, CONSULTANT shall be entitled to fair and reasonable compensation for the Professional Services performed by CONSULTANT before the effective date of termination. After filing of documents and completion of performance, CONSULTANT shall deliver to AGENCY all reports, letters, calculations, and other documents or records related to CONSULTANT's Professional Services on all Tasks. By accepting payment for completion, filing and delivering documents as called for in this paragraph, CONSULTANT discharges AGENCY of all of AGENCY's payment obligations and liabilities under this Agreement.

2.6 AGENCY's Right to Terminate for Default. If CONSULTANT fails to perform or adequately perform any obligation required by this Agreement, CONSULTANT's failure constitutes a default. A default includes CONSULTANT's failure to complete the Professional Services within the time for completion as set forth herein. If CONSULTANT fails to satisfactorily cure a default within ten (10) calendar days of receiving written notice from AGENCY specifying the nature of the default, AGENCY may immediately cancel and/or terminate this Agreement. The rights and remedies of AGENCY enumerated in this Section are cumulative and shall not limit, waive, or deny any of AGENCY's rights under any other provision of this Agreement, nor does this Section otherwise waive or deny any right or remedy, at law or in equity, existing as of the date of this Agreement or hereinafter enacted or established, that may be available to AGENCY against CONSULTANT.

ARTICLE III COMPENSATION

3.1 Amount of Compensation. AGENCY shall pay CONSULTANT in accordance with the negotiated fee for services shown and attached as Exhibit "A" and incorporated herein by reference, with an established not-to-exceed cost for each individual project component. For any additional services not specified, additional costs shall be established through mutual agreement between CONSULTANT and AGENCY via a separate Task Order. Work shall not commence

until all appropriate signatures are obtained on the Task Order for any additional service assignments.

3.2 Manner of Payment. CONSULTANT shall submit to AGENCY one (1) original invoice per calendar month for Professional Services performed and expenses incurred in accordance with this Agreement. CONSULTANT shall include with each invoice a description of completed work. Invoices shall provide detailed billing information including, but not limited to, a detailed description of the service rendered, date of service, CONSULTANT time devoted to service, CONSULTANT name, billing rate, and total amount billed per each service. A receipt for each category of expense must accompany the invoice to qualify for reimbursement by AGENCY. Invoices to AGENCY must be in accordance with the Scope of Services and the Fee Schedule and will be payable, if approved, within thirty (30) calendar days of receipt.

ARTICLE IV CONSULTANT'S OBLIGATIONS

4.1 Industry Standards. CONSULTANT agrees that the Professional Services and environmental remediation activities rendered under this Agreement shall be performed in accordance with the standards customarily adhered to by an experienced and competent professional practicing in the same field of service in the State of Idaho. Where approval by AGENCY is required, it is understood to be general approval only and does not relieve CONSULTANT of responsibility for complying with all applicable laws, codes, and good consulting practices.

4.2 Compliance with Controlling Law. CONSULTANT shall comply with all laws, ordinances, regulations, and policies of the federal, state, and local governments applicable to this Agreement. In addition, CONSULTANT shall comply immediately with all directives issued by AGENCY or its authorized representatives under authority of any laws, statutes, ordinances, rules, or regulations.

4.3 CONSULTANT's Errors and Omissions Insurance. In performance of professional services, CONSULTANT will use that degree of care and skill ordinarily exercised under similar circumstances by members of the consulting profession; and no other warranty, either expressed or implied, is made in connection with rendering CONSULTANT's services. Should CONSULTANT or any of CONSULTANT's agents or employees be found to have been negligent in the performance of professional services from which AGENCY sustains damage, CONSULTANT has obtained Errors and Omissions Insurance in the amount of One Million Dollars (\$1,000,000), and said insurance shall be held active for a two (2) year (minimum) period from the date of completion of the PROJECT. AGENCY shall receive notice of any pending termination of said insurance within five (5) days of first notice to CONSULTANT.

4.3.1 CONSULTANT's Additional Insurance. CONSULTANT shall maintain automobile insurance and statutory workers' compensation insurance coverage, employer's liability, and comprehensive general liability insurance coverage. The comprehensive general liability insurance shall have a minimum limit of Five Hundred Thousand Dollars (\$500,000) per

claim and One Million Dollars (\$1,000,000) aggregate, and CONSULTANT shall cause AGENCY to be named as an additional insured under said policy.

4.4 Conflict of Interest. CONSULTANT covenants that it presently has no interest and will not acquire any interest, direct or indirect, in the PROJECT which would conflict in any manner or degree with the performance of services hereunder. CONSULTANT further covenants that, in performing this Agreement, it will employ no person who has any such interest.

ARTICLE V AGENCY'S OBLIGATIONS

5.1 Ownership of Documents. Once the CONSULTANT(S) has received any compensation for the Professional Services performed, all original documents, including but not limited to, maps, models, designs, photographs, surveys, reports, notes, letters, profiles, original plans, studies, sketches, drawings, computer printouts and disk files, specifications, and other documents prepared, developed or discovered in connection with or related to the Scope of Services or Professional Services, with the exception of CONSULTANT's proprietary computer models, shall become the sole property of AGENCY. AGENCY's ownership of these documents includes use of, reproduction or reuse of, and all incidental rights, whether or not the work for which they were prepared has been performed. AGENCY's ownership entitlement arises upon payment or any partial payment for work performed and includes ownership of any and all work product completed prior to that payment. This section shall apply whether CONSULTANT's Professional Services are terminated (a) by the completion of the Scope of Services; or (b) in accordance with other provisions of this Agreement. Notwithstanding any other provision of this paragraph or Agreement, CONSULTANT shall have the right to make copies of all such maps, models, designs, photographs, surveys, reports, notes, letters, profiles, original plans, studies, sketches, drawings, computer printouts and disk files, specifications, and other documents.

ARTICLE VI INDEMNIFICATION

6.1 Indemnification. In regard to CONSULTANT's Additional Insurance, paragraph 4.3.1., CONSULTANT shall indemnify, defend and hold harmless AGENCY and its officers, directors, employees and agents against any claim by any third party for injury to any person or damage to or loss of any property from any act, omission or negligence of CONSULTANT or any of CONSULTANT' employees or agents. CONSULTANT obligations under this Section shall survive the completion or termination of this Agreement.

6.1.1 AGENCY shall indemnify, defend and hold harmless CONSULTANT and its officers, directors, employees and agents against any claim by any third party for injury to any person or damage to or loss of any property from any act, omission, or negligence of AGENCY or any AGENCY employees or agents. AGENCY obligations under this Section shall survive the completion or termination of this Agreement.

ARTICLE VII
MISCELLANEOUS

7.1 Notices. In all cases where written notice is required under this Agreement, service shall be deemed sufficient if the notice is deposited in the United States mail, postage paid. Proper notice shall be effective on the date it is mailed, unless provided otherwise in this Agreement. For the purpose of this Agreement, unless otherwise agreed in writing,

Notice to AGENCY shall be addressed to:

Moscow Urban Renewal Agency
ATTN: Bill Belknap, Executive Director
P O Box 9203
Moscow, ID 83843

Notice to CONSULTANT shall be addressed to:

Jerry Lee, President of Operations
Terragraphics Environmental Engineering, Inc.
121 South Jackson Street
Moscow, Idaho, 83843

7.2 Non-Assignment. CONSULTANT shall not assign the obligations under this Agreement, whether by express assignment or by sale of the company, nor any monies due or to become due, without AGENCY's prior written approval. Any assignment in violation of this paragraph shall constitute a default and is grounds for immediate termination of this Agreement, at the sole discretion of AGENCY. In no event shall any putative assignment create a contractual relationship between AGENCY and any putative assignee. AGENCY acknowledges, however, that CONSULTANT, in the performance of Professional Services pursuant to this Agreement, may utilize Subconsultant(s).

7.3 Amendments to Agreement. This Agreement may be amended only by written instrument signed by both parties hereto.

7.4 Jurisdiction and Venue. It is agreed that this AGREEMENT shall be construed under and governed by the laws of the State of Idaho. In the event of litigation concerning it, it is agreed that proper venue shall be the District Court of the Second Judicial District of the State of Idaho, in and for the County of Latah.

7.5 No Waiver. No failure of either AGENCY or CONSULTANT to insist upon the strict performance by the other of any covenant, term or condition of this Agreement, nor any failure to exercise any right or remedy consequent upon a breach of any covenant, term, or condition of this Agreement, shall constitute a waiver of any such breach of such covenant, term or condition. No waiver of any breach shall affect or alter this Agreement, and each and every covenant, condition, and term hereof shall continue in full force and effect without respect to any existing or subsequent breach.

7.6 Severability. The unenforceability, invalidity, or illegality of any provision of this Agreement shall not render any other provision of this Agreement unenforceable, invalid, or illegal.

IN WITNESS WHEREOF, this Agreement is executed by AGENCY, acting by and through its Board of Commissioners, and by CONSULTANT.

Dated this 21st day of October, 2015.

CONSULTANT

MOSCOW URBAN RENEWAL AGENCY

By [Signature]
Jerry Lee, President

By [Signature]

ATTEST:

[Signature]
Anne Peterson, AGENCY Clerk

ACKNOWLEDGMENT

STATE OF Idaho)
) ss.
COUNTY OF Latah)

On this 21st day of October, 2015, before me, a Notary Public in and for said State, appeared Jerry Lee, known to me to be the person named above and acknowledged that he/she executed the foregoing document as the duly authorized representative for Terragraphics Environmental Engineering Inc.



[Signature]
Notary Public for the State of Idaho
Residing at Moscow
My commission expires 8-27-18

EXHIBIT 'A'

Groundwater Remediation Cost					
Item #	Item Description	Unit	Unit Cost	Quantity	Total Cost
1	Treatment System Design	LS	\$4,500	1	\$4,500
2	Construction Mobilization	LS	\$	1	\$
3	Permits	LS	\$500	1	\$500
4	4" Well Installation (each)	EA	\$2,000	7	\$14,000
5	Extraction pumps (3), discharge line, utility vault, and control system	LS	\$11,835	1	\$11,835
6	Amendment Injection (Per Injection Event)	EA	\$4,500	1	\$4,500
7	Sample Collection and Analysis (Per Sample Event)	EA	\$3,500	1	\$3,500
8	Project Administration and Coordination	EA	\$4,500	1	\$4,500
9	Final Closeout Report Preparation	EA	\$2,500	1	\$2,500
			Total Cost Estimate		\$45,835