STANDARD UTILITY AGREEMENT PRELIMINARY ENGINEERING AGREEMENT

3. The LOCAL AGENCY shall provide the preliminary engineering services using the services of <u>LEA, PC</u>, firm routinely employed by the LOCAL AGENCY, as identified and included in the attached estimate for engineering and surveying fees in the amount of **\$49,270.00**. Prior to contracting for any additional consultant work not specifically covered by this Agreement, the LOCAL AGENCY shall submit to the DEPARTMENT for approval the consultant's proposal containing, but not limited to, a statement of the scope of consultant services, a list of wage rates and classifications to be used by the consultant and an itemized statement of costs estimated to complete the services. Selection and employment of the consultant will be governed by requirements and procedures contained in 23 CFR. The DEPARTMENT shall have the right to retain and use the reports, plans, specifications, digital information, field data, notes and cost records produced under the agreement for the purpose of verification of accounts or in connection with completion of the project scope of services.

4. The LOCAL AGENCY may submit to the DEPARTMENT monthly bills for the eligible cost of the work as done by the LOCAL AGENCY during the current month and shall submit one final and complete billing of all eligible costs when the work has been completed.

5. The DEPARTMENT shall pay monthly bills promptly upon receipt and verification thereof by the DEPARTMENT. Upon completion of the work the LOCAL AGENCY shall submit one final bill to the DEPARTMENT and the DEPARTMENT shall make a conditional final payment promptly upon verification of the final bill by the DEPARTMENT. The total liability of the DEPARTMENT shall not exceed the reimbursable cost of the work as ascertained by computing the items of cost as set forth in the aforesaid 23 CFR 645. At any time within three years after the date of the conditional final payment the DEPARTMENT may audit the cost records and accounts of the LOCAL AGENCY pertaining to this project and will bill the LOCAL AGENCY any amount of any unallowable expenditure made in the conditional final payment of this contract or, if no unallowable expenditure is found, notify the LOCAL AGENCY of that fact in writing. For audit purposes, the reports, plans, specifications, digital information, field data, notes and cost records and accounts of the LOCAL AGENCY pertaining to this project shall be made available to the representatives of the DEPARTMENT or the Federal Highway Administration at the General Office of the LOCAL AGENCY during the progress of the work and for a period of not less than three years from the date conditional final payment has been received by the LOCAL AGENCY.

6. The DEPARTMENT shall not be bound to pay any amount in excess of the reimbursable portion of the detailed cost estimate attached hereto, nor for any items of work not provided for in the detailed cost estimate. In the event it is determined that a change in the work to be performed by the LOCAL AGENCY will be required or that an increase in cost anticipated will be incurred by the LOCAL AGENCY, a written change or extra work order approved by the DEPARTMENT shall be required as provided in 23 CFR 645.

7. The DEPARTMENT shall not be liable for payment of any bill received more than twelve (12) months after all work under this Agreement is completed unless the LOCAL AGENCY and DEPARTMENT have agreed in advance to an extension of the billing period in writing. Unless an extension of the billing period has been agreed, the DEPARTMENT may consider payment made up to one year following completion of the work to be final.