

AGREEMENT FOR PROFESSIONAL SERVICES

1. PARTIES TO THIS AGREEMENT

This Agreement for professional services has been entered into between Parker Jordan Metropolitan District (Client) and Leonard Rice Engineers, Inc. (LRE) for Water Rights Engineering Services.

2. SCOPE OF SERVICES

Water rights engineering services related to water rights issues for the construction along Cherry Creek. Work will be billed on a Time & Material basis.

3. TIME REQUIRED

LRE can begin the proposed work as soon as we receive authorization to proceed. Delays caused by major changes in the project plans or by circumstances beyond the control of the engineer could extend the time of completion.

4. PAYMENT

Payments for our services, like other professional services, are based on the actual time spent on your behalf and are measured by standard hourly rates in effect at the time the services are performed. For those assigned to your team, those rates currently range from \$190-\$240 for principals, \$90-\$210 for engineers and hydrologists, and \$55-\$130 for technicians, draftsmen and computer operators. Individuals are assigned to a project based on the type of services involved and the experience and expertise of the individual.

Routine expenses such as telephone and copies are included in the rates above. Outside expenses such as laboratory analysis, obtaining aerial photos, or other special services incurred directly in connection with the project are billed at cost plus five (5) percent to cover handling and administration. If the \$1,000,000 Limitation of Liability clause described below is selected, the handling and administration fee for outside expenses will be ten (10) percent. Reimbursable expenses billed at cost include airfares, automobile rental, and other travel or per diem costs for projects more than 100 miles from the office site. Subconsultants to Leonard Rice Engineers, Inc. (LRE) are billed at cost plus five percent. We will also bill for a one-time liability insurance fee on our first invoice if Parker Jordan Metropolitan District selects the \$1,000,000 Limitation of Liability clause.

The scope described under Paragraph 2 represents our estimate of the work required based on the information provided. As the work proceeds and additional facts are developed, it may be necessary to undertake additional work and some items described may not be needed. For these reasons we can provide only an estimate of the time and cost of completing the work.

Invoices are submitted monthly for time and expenses incurred. Terms of payment are net 30 days. Overdue accounts are subject to an interest charge of 1.5% per month and services will stop whenever payment is overdue more than 75 days.

5. PROJECT REPRESENTATIVES

Parker Jordan Metropolitan District and LRE hereby designate their authorized representatives to act on their behalf with respect to the services and responsibilities under this Agreement. The following representatives are authorized to receive notices, transmit information and make decisions on behalf of their respective parties.

Company: c/o Clifton Gunderson
Name: Bob Blodgett
Address: 8390 E. Crescent Parkway, Suite 500
Work telephone: 303-779-4525
Email address: bob.blodgett@cliftoncpa.com

For LRE:

Name: David Takeda, P.E.
Address: Leonard Rice Engineers, Inc.
2000 Clay Street, Suite 300
Denver, CO 80211
Work telephone: 303-455-9589
Email address: dave.takeda@lrewater.com

In the event changes are made to the authorized representatives or other information listed above, Parker Jordan Metropolitan District and LRE agree to furnish each other timely, written notice of such changes.

6. TERMINATION

In the event of termination of this Agreement by either party, Parker Jordan Metropolitan District shall within 30 calendar days of termination pay LRE for all services rendered and all reimbursable costs incurred by LRE up to the date of termination, in accordance with the payment provisions of this Agreement.

Parker Jordan Metropolitan District may terminate this Agreement for Parker Jordan Metropolitan District's convenience and without cause upon giving LRE not less than seven (7) days written notice.

Either party may terminate this Agreement for cause upon giving the other party not less than seven (7) days written notice for any of the following reasons:

- Substantial failure by the other party to perform in accordance with the terms of this Agreement and through no fault of the terminating party;
- Assignment of this Agreement or transfer of the Project by either party to any other entity without prior written consent of the other party;
- Suspension of the Project or of LRE's services by Parker Jordan Metropolitan District for more than ninety (90) days, consecutive or in the aggregate;

- Material changes in the conditions under which this Agreement was entered into, the Scope of Services or the nature of the Project, and the failure of the parties to reach agreement on the compensation and schedule adjustments necessitated by such changes.

In the event of any termination that is not the fault of LRE, Parker Jordan Metropolitan District shall pay LRE, in addition to payment for services rendered and reimbursable costs incurred, for all expenses reasonably incurred by LRE in connection with the orderly termination of this Agreement, including, but not limited to, demobilization, reassignment of personnel, associated overhead costs, and all other expenses directly resulting from the termination.

7. MEDIATION

In an effort to resolve any conflicts that arise during the design and construction of the Project or following the completion of the Project, Parker Jordan Metropolitan District and LRE agree that all disputes between them arising out of or relating to this Agreement or the Project shall be submitted to nonbinding mediation unless the parties mutually agree otherwise.

Parker Jordan Metropolitan District and LRE further agree to include a similar mediation provision in all agreements with independent contractors and consultants retained for the Project and to require all independent contractors and consultants also to include a similar mediation provision in all agreements with their subcontractors, subconsultants, suppliers, and fabricators, thereby providing for mediation as the primary method for dispute resolution between the parties to all those agreements.

8. LIMITATION OF LIABILITY

In recognition of the relative risks and benefits of the Project to both Parker Jordan Metropolitan District and LRE, the risks have been allocated such that Parker Jordan Metropolitan District agrees to limit the liability of LRE to either \$100,000 or \$1,000,000 by choosing whether to accept the limits in paragraph 1 or paragraph 2, below. If Parker Jordan Metropolitan District chooses the higher limit in paragraph 2, Parker Jordan Metropolitan District agrees to pay to LRE a liability insurance fee in the amount of \$250.00 which will be billed on the first invoice.

1. In recognition of the relative risks and benefits of the Project to both Parker Jordan Metropolitan District and LRE, the risks have been allocated such that Parker Jordan Metropolitan District agrees, to the fullest extent permitted by law, to limit the liability of LRE and its officers, employees and sub-consultants, to Parker Jordan Metropolitan District and all of Parker Jordan Metropolitan District's contractors and consultants, for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert witness fees and costs, so that the total aggregate liability of LRE to Parker Jordan Metropolitan District shall not exceed the total amount of \$100,000 or the amount of LRE's total fee for the services rendered on this project, whichever is greater. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.

2. In recognition of the relative risks and benefits of the Project to both Parker Jordan Metropolitan District and LRE, the risks have been allocated such that Parker Jordan Metropolitan District agrees, to the fullest extent permitted by law, to limit the liability of LRE and its officers, employees and sub-consultants, to Parker Jordan Metropolitan District and all of Parker Jordan Metropolitan District's contractors and consultants, for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert witness fees and costs, so that the total aggregate liability of LRE to Parker Jordan Metropolitan District shall not exceed the total amount of \$1,000,000 or the amount of LRE's total fee for the services rendered on this project, whichever is greater. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.

9. SPECIAL SERVICES

Services in addition to those described under Paragraph 2 will be performed or obtained for the client's account upon request and approval at rates currently in effect. Special services may include, but are not limited to, expert testimony, appearances at public meetings, soil investigations, topographic and land surveys, including establishment of boundaries, well drilling, well and aquifer testing, electric logging, water quality sampling and analysis, preparation of construction drawings and specifications, material testing, and environmental permitting.

10. OWNERSHIP OF INSTRUMENTS OF SERVICE

Parker Jordan Metropolitan District acknowledges that LRE's construction documents, reports, memoranda, and other documents, including electronic files are instruments of service. All reports, drawings, specifications, computer files, field data, notes and other documents and instruments prepared by LRE as instruments of service will remain the property of LRE. LRE shall retain all common law, statutory and other reserved rights, including the copyright thereto.

11. GOVERNING LAW AND JURISDICTION

Parker Jordan Metropolitan District and LRE agree that this Agreement and any legal actions concerning its validity, interpretation and performance shall be governed by the Laws of the State of Colorado.

It is further agreed that any legal action between Parker Jordan Metropolitan District and LRE shall be brought in a court of competent jurisdiction in Denver, Colorado.

12. ENTIRE AGREEMENT

This Agreement, comprising pages 1 through 5 and is the entire agreement between Parker Jordan Metropolitan District and LRE. It supersedes all prior communications, understandings and agreements, whether oral or written. Amendments to this Agreement must be in writing and signed by Parker Jordan Metropolitan District and LRE.

In witness whereof, the parties hereto have made and executed this Agreement as of
December 13, 2011.

LEONARD RICE ENGINEERS, INC.

By: 
Authorized Signature/Title

Parker Jordan Metropolitan District

By: _____
Authorized Signature/Title

Limitation of Liability agreed to is (please initial one of the following):

- 1) _____ \$100,000 or total fees, whichever is greater.
- 2) _____ \$1,000,000, and the liability insurance fee of \$250.00 will be billed with the first statement.