

Engineering Service Agreement

AGREEMENT made this day of, 20XX between [name of client], hereinafter referred to as the "Client", and [name of consultant], hereinafter referred to as the "Engineers".

Recitals

The Client now owns [and operates] [type of structure].

The Engineers have heretofore prepared and submitted to the Client a report entitled "[e.g., "Preliminary Report, (name of project)"]".

The Client desires to retain the Engineers to provide complete engineering services on the project.

Agreement

It is hereby agreed that the Client does retain and employ the said Engineers to act for and represent it in all engineering matters involved in the project. Such contract of employment to be subject to the following terms, conditions, and stipulations.

Conditions of Agreement

Scope of Project

1. The scope of the project shall include the improvements recommended in the [e.g., "Preliminary Report, (name of project)] as prepared by the Engineers.

Plans and Specifications

2. The Engineers shall prepare such detailed plans and specifications as are reasonably necessary and desirable for the construction of the project. The specifications shall describe in detail the work to be done, materials to be used, and the construction methods to be followed.

The Engineers shall obtain approval of the plans and specifications from [e.g., State Department of Health].

Duplicate copies of plans and specifications shall be submitted to the Client.

Advertisement for Bids

3. After the Client has approved the plans and specifications, the Engineers shall assist in the preparation of notice to contractors and shall provide plans and specifications for prospective bidders.

Awards of Contract

4. The Engineers shall have a representative present when bids and proposals are opened, shall prepare a tabulation of the bids and shall advise the Client in making the award. After the award is made, the Engineers shall assist in the preparation of the necessary contract documents.

Resident Inspection

6. The Engineers shall furnish competent resident engineers or inspectors to supervise the construction of the work. Said resident engineers or inspectors shall be assigned to the project during such periods as are mutually agreeable to the parties hereto. Such personnel and their salaries and expense allowances shall be subject to the approval of the Client.

Tests and Final Inspection

7. After the construction is completed, the Engineers shall perform such tests as are necessary to make certain that all equipment and construction fully complies with the plans and specifications. The Engineers shall make a final inspection of the work and shall certify its completion to the Client.

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Plant Operations

8. The Engineers shall supervise initial operation of the [structure] and shall [e.g., instruct the Client's operating superintendent in the proper operation of the plant.]

Records and Reports

9. The Engineers shall not be required, under the terms of this contract, to make property surveys necessary for acquisition of right- of-way or property. The Engineers shall, however, make all topographic and construction surveys.

Property Surveys

10. The Engineers shall not be required, under the terms of this contract, to make property surveys necessary for acquisition of right- of-way or property. The Engineers shall, however, make all topographic and construction surveys.

Time of Completion

11. The Engineers shall complete the plans and specifications within days after date of execution of this contract.

Compensation

12. The Client shall compensate the Engineers for their services by the payment of the following fees:

A. For surveys, preliminary plans and estimates, final plans and specifications, and general supervision of construction a percentage of construction costs in accordance with the following schedule:

The first \$15,000 of construction cost	10%
Next \$385,000 of construction cost	6%
Next \$400,000 of construction cost	5 1/2%
All over \$800,000 of construction cost	5%

B. For resident supervision and inspection, a fee equal to [e.g., the salary paid the resident engineer and inspectors, plus seventy-five (75) percent of such salary paid, and plus any expenses incurred by the resident engineer and inspectors in connection with the job and paid by the Engineers].

Construction cost is defined as the total cost of the project exclusive of the cost engineering, legal service, land and right-of-way, and Client's overhead.

The fee shall be due and payable in the following manner:

The amount of dollars (\$.....) previously paid for the preliminary report will be considered as part payment of the fee stated above.

On completion of plans and specifications, their approval by the [e.g., State Department of Health] and presentation of plans and specifications, their approval by the [e.g., State Department of Health] and presentation of plans and specifications to the Client an amount equal to seventy (70) percent of the computed fee in accordance with Schedule A above based on estimated construction cost and less amounts previously paid.

During the period of construction and proportionally with the progress of construction an amount equal to twenty (20) percent of the fee in accordance with Schedule A above based on contract construction cost.

On completion of the project and final inspection, an amount equal to the total fee outlined above based on final construction cost, less amounts previously paid.

The fee for resident supervision and inspection as provided under Schedule B above will be billed and payable monthly.

Services Not Included

13. If, after the plans and specifications are completed and approved by the Client and [e.g., State Department of Health], the Engineers are required to change plans and specifications because of changes made by the Client, then the Engineers shall receive an additional fee for such changes which shall be based on their standard per diem fees.

Assistants

14. It is understood and agreed that the employment of the Engineers by the Client for the purpose aforesaid shall be exclusive, but the Engineers have the right to employ such assistants as they may deem proper in the performance of the work, said assistants to be employed subject to the approval of the Client, and the services of said assistants are to be paid for by the Engineers.

Assignment

15. This Agreement, and each and every portion thereof, shall be binding on the successors and assigns of the parties hereto, but the same shall not be assigned by the Engineers without written consent of the Client.

Executive, in duplicate, at [state], on the day and year first written above.

CLIENT

[typed name of client]

BY [signature]

[typed name and designation of person signing]

ENGINEERS

[typed name of engineers]

BY [signature]

[typed name and designation of person signing]