5 July 2016

Jim McShane, Director
Rapid City Public Library
610 Quincy Street
Rapid City, South Dakota 57701

RE: MEMORANDUM OF UNDERSTANDING for design services on Phase 1 - Public Area Update and Furniture Replacement/Rearrangement

Dear Jim,

AcV2 architecture is pleased to provide you with this Memorandum of Understanding for Architecture and Engineering services for the Public Area Update and Furniture Replacement/Rearrangement, previously identified as Phase 1 in our Main Floor Master Plan for the Rapid City Public Library.

SCOPE OF PROJECT
The Scope of the project includes design work to:

- Remove and replace the carpet in Public Areas - as identified on the Main Floor Master Plan
- Demolish "fishbowl" office and relocation of network panel
- Repaint Public Areas, walls and ceilings - as identified in the Main Floor Master Plan
- Remove the fireplace
- Replace and rearrange first floor book stacks and furniture
- Provide power to new furniture locations, where required

OPTION - Remove Furniture Related Services. AcV2 to provide design guidance only. For this option, the following will be included:

- Provide conceptual floor plan layout
- Provide furniture schedule

The following is excluded:

- Develop furniture budget
- Evaluate and select specific furniture products
- Preparation of cost estimate
- Preparation of furniture specifications
- Solicit bids or negotiate pricing
- Select qualified bidders
- Oversee furniture delivery and installation
- Conduct furniture inspection

SCOPE OF DESIGN SERVICES
The scope of design services includes elements of interior design, electrical engineering and furniture selection to achieve the Scope of Project.
- Develop 2-3 design options for flooring and paint schemes
- Meet with the owner for a Schematic Design Review (35% Complete) and Construction Document Review (95% Complete) to review and verify the design documents prior to bidding
- Provide drawings and specifications in order to put the project out to competitive bid
- Provide construction administration services to verify that the work conforms with the Construction Documents

DESIGN PHASES

We have separated our process into the following phases:

- **Schematic Design**
  We will conduct a project kick-off meeting to finalize the project requirements and define a project schedule. We will develop two or three conceptual designs working with the library staff. Our documentation will include preliminary floor plans with furniture layout, partial interior elevations for paint schemes, and other drawings needed to convey the design concepts. We will also present you with an estimate of the construction cost based on general square-foot costs. The goal of the Schematic Design Review (35% Complete) meeting will be to review the concepts presented and refine the multiple ideas into one approved design to take into the next design phase.

- **Construction Documents**
  In this phase, we will refine the approved Schematic Design and get our electrical engineer more heavily involved. The drawing set and project manual specifications will be generated and completed during this phase. The complete set of drawings, project manual, actual product samples will be reviewed and the cost estimate will be updated for the Construction Documents Review (95% Complete) stage.

  Once the project is approved, we will proceed to the bidding phase. We anticipate that the following documentation will be necessary for bidding:

  - Life Safety - Code Analysis
  - Floor Plan - Demolition
  - Floor Plan - Flooring Layout
  - Floor Plan - Furniture Layout
  - Finishes Schedule
  - Electrical Plans and Schedules
  - Project Manual with Bid form and Technical Specifications

- **Bidding**
  We will assist the RCPL in getting the documents out to bid. We will supply the bid documents to plan rooms, contact contractors, answer contractor and sub-contractor questions, issue addenda, hold a pre-bid meeting, host the bid opening and assist with negotiations with the chosen contractor.

- **Construction Administration**
  During the construction phase, we will answer the owner’s and contractor questions; make site visits to verify that the contractor is following the contract documents; provide supplemental drawings as requested by the contractor; review shop drawings, materials and product samples; and review requests for design changes. Other services include reviewing and approving the contractor’s application for payment and keeping the owner apprised of the project’s progress.
EXCLUSIONS

Services not included in our cost:
1. Coordination for removal of existing radiators *
2. Survey
3. Civil Engineering
4. Structural Engineering
5. Mechanical and Plumbing Engineering
6. Detailed estimate of construction cost

* As previously discussed, the existing radiators along the north wall will be removed prior to the commencement of this MOU's scope of work. The RCPL has indicated that these will be removed outside of this MOU's scope of work. The project will be performed by Climate Control. Any mechanical work necessary for the work is currently considered to be outside this MOU.

CONSULTANT

For the above scope of work, we will contract with Skyline Engineering for the electrical engineering work required in the Scope of Project.

PROJECT SCHEDULE

We understand it is the RCPL staff's wish for construction to begin in October or November of 2016.

FEE SCHEDULE

For the detailed scope of work we are proposing a fixed of Twelve Thousand Six Hundred and Fifteen Dollars ($12,615). Please note that this price does not include reimbursable expenses, but does represent a credit identified in the Master Plan contract with AcV2 architecture for projects generated from the Master Plan.

* Schedule of Fees

<table>
<thead>
<tr>
<th>Service</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Architectural / Interior Design</td>
<td>$10,000</td>
</tr>
<tr>
<td>Electrical Engineering</td>
<td>$4,115</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td><strong>$14,115</strong></td>
</tr>
<tr>
<td>Master Plan Credit</td>
<td>$1,500</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$12,615</strong></td>
</tr>
</tbody>
</table>

* Option to remove Furniture related services represents a deduct of $1,850.
ADDITIONAL SERVICES

The fee for basic services above does not include possible additional services such as renderings, expanded Scope of Work or additional meetings with City Staff or public meetings. If additional services become necessary, we will provide the necessary services at an hourly rate according to our schedule below. We will only proceed with additional services with an owner's notice to proceed.

Principal Architect        $100/hr
Senior Designer           $75/hr
Designer                  $50/hr
Electrical Designer       $105/hr

CONTRACT

Acceptance of this Memorandum of Understanding will allow us to begin performing the work and enable us to generate the AIA Contract Document for review and approval by the City of Rapid City.

Best,

[Signature]

[Name]
[Title]

AcV2 Architecture, LLC
810 9th Street, Suite #2, Rapid City, SD 57701
(605) 484-6071
AGREEMENT made as of the Twenty-ninth day of July in the year 2016
(In words, indicate day, month and year)

BETWEEN the Owner:
(Name, legal status, address and other information)

Rapid City Public Library
610 Quincy St.
Rapid City, SD 57701

and the Architect:
(Name, legal status, address and other information)

AcV2 Architecture, LLC, 510 9th Street, Suite 2
Rapid City, SD 57701
Telephone Number: (605) 484-6071

for the following Project:
(Name, location and detailed description)

RC Public Library Main Floor - Public Area Update & Furniture Replacement/Rearrangement
610 Quincy St.
Rapid City, SD 57701

The Owner and Architect agree as follows.

ADDITIONS AND DELETIONS:
The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An Additions and Deletions Report that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

State or local law may impose requirements on contracts for home improvements. If this document will be used for Work on the Owner's residence, the Owner should consult local authorities or an attorney to verify requirements applicable to this Agreement.
ARTICLE 1 ARCHITECT'S RESPONSIBILITIES
The Architect shall provide architectural services for the Project as described in this Agreement in a manner consistent with locally accepted standards for professional skill and care. The Architect shall assist the Owner in determining consulting services required for the Project. The Architect’s services include the following consulting services, if any:

For detailed description of scope and project see Attached Exhibit "A" Letter dated 5, July 2016 titled Memorandum of Understanding for Design Services on Phase 1 – Public Area Update and Furniture Replacement/Rearrangement

Note: The option to remove Furniture related services WAS NOT exercised. Furniture related services remain in AcV2’s scope.

During the Design Phase, the Architect shall review the Owner’s scope of work, budget and schedule and reach an understanding with the Owner of the Project requirements. Based on the approved Project requirements, the Architect shall develop a design. Upon the Owner’s approval of the design, the Architect shall prepare Construction Documents indicating requirements for construction of the Project and shall coordinate its services with any consulting services the Owner provides. The Architect shall assist the Owner in filing documents required for the approval of governmental authorities, in obtaining proposals and in awarding contracts for construction.

During the Construction Phase, the Architect shall act as the Owner’s representative and provide administration of the Contract between the Owner and Contractor. The extent of the Architect’s authority and responsibility during construction is described in AIA Document A105™—2007, Standard Form of Agreement Between Owner and Contractor for a Residential or Small Commercial Project. Generally, the Architect’s services during construction include interpreting the Contract Documents, reviewing the Contractor’s submittals, visiting the site, reviewing and certifying payments, and rejecting nonconforming Work.

ARTICLE 2 OWNER’S RESPONSIBILITIES
The Owner shall provide full information about the objectives, schedule, constraints and existing conditions of the Project, and shall establish a budget that includes reasonable contingencies and meets the Project requirements. The Owner shall provide decisions and furnish required information as expeditiously as necessary for the orderly progress of the Project. The Architect shall be entitled to rely on the accuracy and completeness of the Owner’s information. The Owner shall furnish consulting services not provided by the Architect, but required for the Project, such as surveying, which shall include property boundaries, topography, utilities, and wetlands information; geotechnical engineering; and environmental testing services. The Owner shall employ a Contractor, experienced in the type of Project to be constructed, to perform the construction Work and to provide price information.

The Owner shall identify a representative authorized to act on the Owner’s behalf with respect to the Project. The Owner’s representative for this project is identified as:

Jim McShane – Director of Rapid City Public Library

ARTICLE 3 USE OF DOCUMENTS
Drawings, specifications and other documents prepared by the Architect are instruments of the Architect’s service and are for the Owner’s use solely with respect to this Project. The Architect shall retain all common law, statutory and other reserved rights, including the copyright. Upon completion of the Project or termination of this Agreement, the Owner’s right to use the instruments of service shall cease. When transmitting copyright-protected information for use on the Project, the transmitting party represents that it is either the copyright owner of the information, or has permission from the copyright owner to transmit the information for its use on the Project.

ARTICLE 4 TERMINATION, SUSPENSION OR ABANDONMENT
In the event of termination, suspension or abandonment of the Project by the Owner, the Architect shall be compensated for services performed. The Owner’s failure to make payments in accordance with this Agreement shall be considered substantial nonperformance and sufficient cause for the Architect to suspend or terminate services. Either the Architect or the Owner may terminate this Agreement after giving no less than seven days’ written notice if the Project is suspended for more than 30 days, or if the other party substantially fails to perform in accordance with the terms of this Agreement.
ARTICLE 5  MISCELLANEOUS PROVISIONS
This Agreement shall be governed by the law of the place where the Project is located. Terms in this Agreement shall have the same meaning as those in AIA Document A105–2007, Standard Form of Agreement Between Owner and Contractor for a Residential or Small Commercial Project. Neither party to this Agreement shall assign the contract as a whole without written consent of the other.

Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action in favor of, a third party against either the Owner or the Architect.

The Architect and Architect’s consultants shall have no responsibility for the identification, discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials in any form at the Project site.

ARTICLE 6  PAYMENTS AND COMPENSATION TO THE ARCHITECT
The Architect’s Compensation shall be:

Payment on a fixed fee/stipulated sum basis in the amount of twelve thousand six hundred fifteen dollars and 00/100 ($12,615.00) plus applicable taxes and reimbursable expenses.

(Paragraph deleted)
Reimbursable expenses anticipated: printing and plotting of deliverables given to the Owner during design and the reproduction of plans and specs for use by prospective bidders during the Bid phase.

Payments are due and payable upon receipt of the Architect’s monthly invoice. Amounts unpaid forty five (45) days after the invoice date shall bear interest from the date payment is due at the rate of one and one quarter percent (1.25 %) monthly simple rate interest, or in the absence thereof, at the legal rate prevailing at the principal place of business of the Architect.

At the request of the Owner, the Architect shall provide services not included in Article 1 for additional compensation. Such services may include providing or coordinating services of consultants not identified in Article 1, revisions due to changes in the scope, quality or budget; evaluating changes in the Work and Contractors’ requests for substitutions of materials or systems; and services not completed within twelve (12) months of the date of this Agreement through no fault of the Architect.

ARTICLE 7  OTHER PROVISIONS
(Insert descriptions of other services and modifications to the terms of this Agreement.)

ARCHITECT’S CONSULTANTS
AcV2 will consult with Skyline Engineering for Electrical Engineering services related to the project

LIMITATION OF LIABILITY
Neither the Architect, Architect’s consultants, nor their agents or employees shall be jointly, severally, or individually liable to the Owner in excess of the compensation to be paid pursuant to this Agreement or Fifty Thousand Dollars ($50,000), whichever is greater, by any reason or any act or omission, including breach of contract or negligence not amounting to a willful or intentional wrong.

This Agreement entered into as of the day and year first written above.

OWNER

(Signature)
(Printed name and title)

ARCHITECT

(Signature)
Patri Acevedo, AIA, Owner / Principal Architect
(Printed name and title)