

**Environmental Protection Commission
Iowa Department of Natural Resources**

ITEM

12

DECISION

TOPIC Contract – Cerro Gordo County for TNC Sanitary Surveys and Visits

Recommendations:

Commission approval is requested for a three (3) year-service contract with Cerro Gordo County Health Department, Iowa. The contract will begin on July 1, 2009 and terminate on June 30, 2012. The total amount of this contract shall not exceed \$125,550.00. DNR shall have the option to renew this contract as long as this contract and any extensions do not exceed a six-year period.

We have successfully used this arrangement with several counties for six (6) years. Because county personnel are already visiting many of these facilities annually for other regulatory purposes, it provides a mechanism for more frequent visits at a significantly decreased cost when compared to using department staff. The current contract with this county expires June 30, 2009. Approval of this agenda item and the attached contract will allow this effective program to continue.

Funding Source:

This contract will be funded through Local and Other Authorized Use Set-aside of the Drinking Water State Revolving Loan Fund, providing capacity development and technical assistance to public water supplies.

Background:

As per Iowa Administrative Code (IAC) 565-455B, Chapter 40, the Iowa Department of Natural Resources conducts the public water supply (PWS) program. This agreement and attachments, together with Chapters 567—40, 41, 42, 43 & 81 of the Iowa Administrative Code (IAC), (hereafter referred to as the IAC Drinking Water Chapters) for as long as they remain in effect, shall constitute the entire agreement between the Department and this County with respect to public water supply systems. To the extent that this agreement conflicts with said IAC Drinking Water Chapters, then the IAC Drinking Water Chapters shall apply.

Nothing in this agreement or its attachments shall be construed as limiting the power of the Department to regulate public water supplies and to take any other actions consistent with the provisions of the IAC Drinking Water Chapters or any other rules established under Division III of Chapter 455B which the Department deems necessary for the continued proper administration of the public water supply program.

Purpose:

The parties propose to enter into this Contract for the purpose of delegating part of the Department's regulatory authority with respect to public water supply systems, as detailed in the IAC Drinking Water Chapters, and to specify the extent and manner of cooperation between the two agencies in conducting programs for the evaluation and regulation of transient noncommunity (TNC) public water supplies. Cerro Gordo Health Department will inspect TNCs in fifteen (15) counties on behalf of the Department.

Contractor Selection Process:

This is an Intergovernmental Agreement. No selection process is required.

Chuck Corell, Bureau Chief
Water Quality Bureau
Department of Natural Resources
Date: May 22, 2009

Attachment(s): Special Conditions for Contract

INTERGOVERNMENTAL SERVICES SPECIAL CONDITIONS

This agreement, entered into pursuant to the provisions of Iowa Code Chapter 28e, is between the Iowa Department of Natural Resources (DNR) and the Cerro Gordo County Health Department.

The parties agree as follows:

Section 1 IDENTITY OF THE PARTIES

1.1 Parties. The IDNR is authorized to enter into this Contract. The IDNR's address is: 401 SW 7th St., Suite M, Des Moines, IA 50309-4611.

Cerro Gordo County Health Department ("Contractor" or "County"), a governmental agency, is organized under the laws of the State of Iowa and is registered with the Iowa Secretary of State. The Contractor's address is: 22 N Georgia Ave, Mason City, IA 50401-3435.

1.2 Project Managers. Each party has designated a Project Manager, who shall be responsible for oversight and negotiation of any contract modifications, as follows:

DNR Project Manager: Charlotte Lafargue Henderson
IDNR Water Supply Section
401 SW 7th Street, Suite M
Des Moines, IA 50309-4611
Phone: 515-725-0341
Fax: 515-725-0348
Email: charlotte.henderson@dnr.iowa.gov

DNR Technical Manager: Anne Lynam
IDNR Water Supply Section
401 SW 7th Street, Suite M
Des Moines, IA 50309-4611
Phone: 515-725-0280
Fax: 515-725-0348
Email: anne.lynam@dnr.iowa.gov

Contractor Project Manager: Brian Haft, Director
Cerro Gordo County Health Department
22 N Georgia Ave.
Mason City, IA 50401-3435
Phone: 641-421-9340
FAX: 641-421-9350
Email: environ@cghealth.com

Section 2 STATEMENT OF PURPOSE

2.1 Background. As per Iowa Administrative Code (IAC) 565-455B, Chapter 40, the Iowa Department of Natural Resources conducts the public water supply (PWS) program. This agreement and attachments, together with Chapters 567—40, 41, 42, 43 & 81 of the Iowa Administrative Code (IAC), (hereafter referred to as the IAC Drinking Water Chapters) for as long as they remain in effect, shall constitute the entire agreement between the Department and this County with respect to public water supply systems. To the extent that this agreement conflicts with said IAC Drinking Water Chapters, then the IAC Drinking Water Chapters shall apply.

Nothing in this agreement or its attachments shall be construed as limiting the power of the Department to regulate public water supplies and to take any other actions consistent with the provisions of the IAC Drinking Water Chapters or any other rules established under Division III of Chapter 455B which the Department deems necessary for the continued proper administration of the public water supply program.

2.2 Purpose. The parties have entered into this Contract to delegate part of the Department's regulatory authority with respect to public water supply systems, as detailed in the IAC Drinking Water Chapters, and to specify the extent and manner of cooperation between the two agencies in conducting programs for the evaluation and regulation of transient noncommunity (TNC) public water supplies.

The objective is to ensure all PWSs in the counties inspected are correctly identified and regulated, sanitary surveys for TNCs are completed once each three years, each TNC is visited annually, and technical assistance is provided to the TNC upon request.

Section 3 DURATION OF CONTRACT

3.1 Term of Contract. The term of this Contract shall be July 1, 2009 through June 30, 2012 unless terminated earlier in accordance with the Termination section of this Contract.

3.2 Approval of Contract. If the amount of compensation to be paid by DNR according to the terms of this Contract is equal to or greater than \$25,000.00 (twenty five thousand dollars), then performance shall not commence unless by July 1, 2009 this Contract has been approved by the Environmental Protection Commission and has been signed by both parties.

3.3 Renewal. DNR shall have the sole option to renew and extend this Contract for subsequent periods, adding up to no more than 6 years total, by executing a signed contract prior to the expiration of this Contract. Continuation will be based upon the contractor's performance, availability of funds, and future need.

Section 4 DEFINITIONS

4.1 "Deliverables" shall mean services to be provided by, or on behalf of, the Contractor pursuant to this Contract. Deliverables shall include the tasks set out in this Contract and everything produced by the Contractor that is related to the tasks, such as reports, meetings, documentation, designs, copy, artwork, data, information, graphics, images, processes, techniques, materials, plans, papers, forms, studies, modifications, content, concepts, and all other tangible and intangible works, materials and property of every kind and nature that are related to the deliverables.

4.2 "Task Milestone Date" shall mean any of the dates contained in the Contract stating the deadline for accomplishing tasks required by this Contract.

4.3 "Public water supply system (PWS)" means a system for the provision to the public of water for human consumption through pipes or other constructed conveyances, if such system has at least 15 service connections or regularly serves an average of at least 25 individuals daily at least 60 days out of the year. Such term includes: any collection, treatment, storage, and distribution facilities under control of the operator of such system and used primarily in connection with such system; and any collection or pretreatment storage facilities not under such control which are used primarily in connection with such system. Such term does not include any "special irrigation district." A public water system is either a "community water system" or a "noncommunity water system."

4.4 "Transient noncommunity water system (TNC)" means a noncommunity water system that does not regularly serve at least 25 of the same persons over six months per calendar year.

4.5 Delegation: The County shall be delegated to perform certain compliance checks of the TNCs in their jurisdiction for the Department.

4.6 Jurisdiction: For this contract, the jurisdiction of this County shall include the following Iowa counties:

Cerro Gordo, FO #2	Hancock, FO #2	Webster, FO #2
Chickasaw, FO #1	Hardin, FO #2	Winnebago, FO #2
Floyd, FO #2	Howard, FO #1	Winneshiek, FO #1
Franklin, FO #2	Kossuth, FO #2	Worth, FO #2

Hamilton, FO #2

Mitchell, FO #2

Wright, FO #2

Section 5 STATEMENT OF WORK

5.1 Statement of Work. Contractor shall perform the following tasks. Contractor shall complete its obligations under this Contract by the Task Milestone Dates set out in the following table.

Obligation	Task Milestone Due Date
<p>Task 1: Personnel. The County represents that it has or shall acquire and shall continue to maintain all personnel required for the performance of the services specified under this agreement. County shall submit to the Department the</p> <ul style="list-style-type: none"> • name(s) • title(s) • postal mailing address(es) • email address(es) • cell phone number • office phone number(s) <p>of the employee(s) who shall be responsible for implementing the provisions of this agreement. Such information shall be submitted to the contract Project Manager. The County shall provide updated information whenever there are staff changes.</p>	<p>On-going during life of contract</p>
<p>DNR→The DEPARTMENT shall periodically review the rules, policies and procedures of the County program for consistency with the IAC Chapters. The Department shall advise the County of its findings in writing. Such reviews shall not be more frequent than once a year, but there shall be at least one review prior to the expiration date of this agreement.</p>	<p>At least once during the life of the contract</p>
<p>Task 2: Sanitary Survey. The County shall perform one full sanitary survey on each TNC within their jurisdiction.</p> <p>The survey shall include but not be limited to:</p> <ul style="list-style-type: none"> • review, update and assessment of sampling plans • review PWS inventory information • identification of source entry points • quality of system operation, maintenance and structural integrity • identify deficiencies <p>The County shall use the Sanitary Survey questionnaire provided with this contract.</p>	<p>Once every 36 months</p>
<p>COUNTY Report of Sanitary Survey: The County shall complete and submit a written report in accordance with the requirements of the Department, using the Sanitary Survey questionnaire provided with this contract. Electronic submittal may suffice for this deliverable.</p> <p>The report shall include but not be limited to:</p> <ul style="list-style-type: none"> • review, update and assessment of sampling plans • PWS inventory information • identification of source entry points • quality of system operation, maintenance and structural integrity • list deficiencies, if any, along with due date for correction. 	<p>Report shall be received by DNR no later than 30 days after completion of survey</p>
<p>Task 3: Site Visit. During the other years in which a sanitary survey is not</p>	<p>Once every 12 months,</p>

Obligation	Task Milestone Due Date
<p>performed, the County shall visit each TNC to complete a mid-cycle walk-through inspection (site visit) to:</p> <ul style="list-style-type: none"> a) check for deficiencies as per check-list provided by the Department b) verify that corrective actions were completed in response to deficiencies identified during previous visits c) check for compliance with drinking water program requirements d) identify changes in responsible operator, etc. <p>Site visits shall be separated by no fewer than six (6) months apart</p> <p>Total number of site visits will be no fewer than two (2).</p> <p>The County shall use the Site Visit questionnaire provided with this contract.</p>	<p>during each of the two years in which a sanitary survey is not performed.</p>
<p>COUNTY Report of Site Visit: The County shall complete and submit a written report in accordance with the requirements of the Department, using the Site Visit questionnaire provided with this contract. Electronic submittal may suffice for this deliverable.</p> <p>The report shall include but not be limited to:</p> <ul style="list-style-type: none"> • deficiencies as per check-list provided by the Department • corrective actions that were completed in response to deficiencies identified during previous visits • compliance with drinking water program requirements • identify changes in responsible operator • change of ownership <p>The county shall indicate how the TNC was contacted, whether by phone, postal mail, email, or in person.</p>	<p>Report shall be received by DNR no later than 30 days after completion of survey</p>
<p>Task 4: Technical assistance. The County shall be the primary point of contact for the TNC to obtain technical assistance for all monitoring requirements.</p> <p>The County shall review with the TNC operator, the</p> <ul style="list-style-type: none"> • operation permit in its entirety • monitoring requirements • sampling plan and sampling techniques • monthly operation reports (MORs) where applicable • public notification requirements in general 	<p>On-going and upon request from IDNR or the TNC.</p>
<p>COUNTY Report of Corrective Actions: The County shall report to the Department (Central Office and Field Office) when the date for corrective actions has passed without the TNC taking corrective action.</p>	<p>Received by DNR no later than 5 business days after the due date for the corrective action.</p>
<p>COUNTY Corrective Action Report: The County shall report to the Department (Central Office and Field Office) how often it has contact with any PWS. The county shall indicate how the TNC was contacted, whether by phone, postal mail, email, or in person.</p> <p>The report shall include but not be limited to:</p> <ul style="list-style-type: none"> • PWSID and PWS name 	<p>Received by DNR as an attachment to the quarterly invoice.</p>

Obligation	Task Milestone Due Date
<ul style="list-style-type: none"> • Date(s) contacted • Corrective actions or issues • Due date for completion of corrective actions 	
<p>Task 5. TNC Monitoring Requirements. The County shall contact the TNC to follow up on monitoring violations to try to obtain compliance, document the contact, and make this information available to the Department upon request. The county shall indicate how the TNC was contacted, whether by phone, postal mail, email, or in person.</p>	<p>On-going and upon request from IDNR or the TNC.</p>
<p>Task 6. Unidentified PWSs</p> <ul style="list-style-type: none"> • The County shall identify and assess unidentified PWSs that are currently not on the Department's inventory and provide the Department with the information needed to add them to the Department's inventory. • The County shall make every effort to timely get the newly-identified public water supply on the Department's inventory and to complete the initial sanitary survey as soon as possible. • For TNCs, the Department shall coordinate with the County to schedule the initial sanitary survey and to initiate compliance monitoring. • The county shall indicate how the TNC was contacted, whether by phone, postal mail, email, or in person. 	<p>On-going and upon request from IDNR or the PWS.</p>
<p>The County shall review the quarterly inventory information provided by the Department and furnish the Department with the information on PWSs that are known to exist, but which are not on the Department's inventory.</p>	<p>Quarterly</p>
<p>The County shall inspect any new TNC within 60 days of notification from the Department that it has been added to the Department's inventory.</p>	<p>Within 60 days of notification from Department.</p>
<p>Task 7. Regulatory compliance:</p> <ul style="list-style-type: none"> • The County is not required to be involved with compliance activities related to maximum contaminant level (MCL) violations, nor the required repeat or follow-up monitoring requirements resulting from an MCL or potential MCL violation. The County may provide technical assistance for MCL violations at the County's discretion. • If the County identifies a significant deficiency during any visit, the County shall provide technical assistance and obtain a written response from the TNC to the County within 30 days. If the County cannot obtain a follow-up response from the TNC within 30 days, the County shall notify the Department (Central Office and Field Office). 	<p>On-going</p>
<p>DNR→The DEPARTMENT shall be the primary agent for regulatory compliance enforcement of the drinking water program. All enforcement correspondence, such as Acute MCL Notices of Violation, shall be sent by the Department to the public water supplies affected. Copies of all Department correspondence with the TNCs shall be sent electronically or in hard copy to the County.</p>	<p>On-going</p>
<p>Task 8. Technical Assistance Training.</p> <ul style="list-style-type: none"> • The County shall send its inspectors to training sponsored by the Department, if the DNR makes it available. The County may send inspectors to additional training. 	<p>As scheduled by the IDNR.</p>

Obligation	Task Milestone Due Date												
<ul style="list-style-type: none"> As a training measure, at least once each year the County shall complete a sanitary survey visit jointly with Department staff, if Department staff is available. The Department shall schedule such training. 													
<p>TRAINING→The DEPARTMENT shall provide technical information and training to the County at no charge. When training is available, county participation shall be mandatory.</p>	<p>As scheduled by the IDNR and the County.</p>												
<p>Task 9. Communication from the DEPARTMENT.</p> <ul style="list-style-type: none"> The Department shall copy the County on all correspondence with every TNC listed in the County's jurisdiction, except items that are not normally sent to the Department's field offices, such as annual fee notices, applications for renewal of the operation permit, etc. The Department shall timely supply electronic copies to the County of MCL exceedance and Public Notification information issued to a TNC. Each calendar quarter, the Department shall send to the County a reminder to inspect a TNC, 60 days before the due date of inspection. The Department shall provide to the County information identifying responsibilities of each party in the event of an Acute or a Non-Acute MCL. <table border="1" data-bbox="315 919 1042 1115"> <thead> <tr> <th>For questions pertaining to</th> <th>Contact this office:</th> </tr> </thead> <tbody> <tr> <td>Permits</td> <td>Central Office</td> </tr> <tr> <td>Unidentified PWSs</td> <td>Central Office</td> </tr> <tr> <td>Technical issues</td> <td>Field Office</td> </tr> <tr> <td>Monitoring Violations</td> <td>Central Office</td> </tr> <tr> <td>Sampling issues</td> <td>Central Office</td> </tr> </tbody> </table>	For questions pertaining to	Contact this office:	Permits	Central Office	Unidentified PWSs	Central Office	Technical issues	Field Office	Monitoring Violations	Central Office	Sampling issues	Central Office	<p>On-going</p> <p>On-going</p> <p>Quarterly</p> <p>On-going</p>
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<p>Task 10. Information. The DEPARTMENT shall quarterly provide the County with a written or electronic copy of the business inventory data for all active and inactive PWS in the County's jurisdiction.</p>	<p>Quarterly</p>												

5.2 Final Notice of Acceptance. If DNR concludes, in its sole discretion, that all the Tasks required by the Statement of Work have been timely completed and all deliverables and services required by this Contract have been satisfactorily completed and delivered, and that the implementation of the Statement of Work is completed and successfully deployed, then DNR shall issue a written Final Notice of Acceptance.

5.3 Non-Exclusive Rights. This Contract is not exclusive. DNR reserves the right to select other contractors to provide services similar or identical to the Scope of Services described in this Contract during the term of this Contract.

5.4 Industry Standards. Services rendered pursuant to this Contract shall be performed in a professional and workmanlike manner in accordance with the terms of this Contract and the standards of performance considered generally acceptable in the relevant industry for similar tasks and projects. In the absence of a detailed specification for the performance of any portion of this Contract, the parties agree that the applicable specification shall be the generally accepted industry standard.

5.5 Amendments to Statement of Work – Change Order Procedure. Modifications, deletions and additions may be made to a Statement of Work at any time during the term of this Contract by mutual written consent of the parties. Any amendment to a Statement of Work shall be called a Change Order, and the following procedures shall be followed:

- 5.5.1 Written Request.** DNR shall specify in writing the desired modifications to the same degree of specificity as in the original Scope of Services.
- 5.5.2 The Contractor's Response.** The Contractor shall submit to DNR a time and cost estimate for the requested Change Order within five (5) business days of receiving the Change Order Request.
- 5.5.3 Acceptance of the Contractor Estimate.** If DNR accepts the estimate presented by the Contractor within five (5) business days of receiving the Contractor's response, the Contractor shall perform the modified services subject to the time and cost estimates included in the Contractor response. The Contractor's performance and the modified services shall be governed by the terms and conditions of this Contract.
- 5.5.4 Adjustment to Compensation.** The parties acknowledge that a Change Order for this Contract may or may not entitle the Contractor to an equitable adjustment in the Contractor's compensation or the performance deadlines under this Contract and that such Change Order may require approval of the Natural Resources or Environmental Protection Commission.

Section 6 MONITORING AND REVIEW

6.1 Task Milestone Dates. Contractor shall complete its obligations under this Contract by the Task Milestone Dates set out in Section 5.1, Statement of Work.

6.2 Reporting. Reports shall include the following:

- **SANITARY SURVEYS AND VISITS:** Within 30 days of completion of the sanitary survey or site visit, the County shall submit a report of each sanitary survey or visit to the DNR Project Manager as well as the Department Field Office responsible for that Public Water Supply.
- Reports shall be in the form of the survey format provided by the Department.
 - a. Attachment A is the example of a Sanitary Survey report format. Electronic submittal may suffice for this deliverable.
 - b. Attachment B is an example of the Site Visit report format. Electronic submittal may suffice for this deliverable.
- Invoices shall be paid only if all corresponding written reports are submitted to the Department and visit dates match the Department's database query.
 - a. Attachment C is the Invoice.
 - b. Electronic submittal shall not be substituted for hardcopy invoicing.

Failure by Contractor to complete the above-designated portions of its obligations by the Task Milestone Dates set out herein shall constitute material breach of this Contract by Contractor and shall be grounds for DNR to immediately terminate this Contract for cause.

6.2 Review Meetings. Commencing with beginning performance of this Contract, the Project Managers shall meet as necessary to discuss progress made by the Contractor during the performance of this Contract.

6.3 DNR right to review and observe. DNR shall have the right to review and observe, at any time, completed work or work in progress. Contractor shall allow the State of Iowa or DNR, to inspect its facilities and books and records relating to invoicing and time records for the purpose of monitoring and evaluating performance of this Contract.

6.4 Recordkeeping. County shall keep all original documentation for a period of four (4) years, after which said County shall send Original documents to the Department (Central Office) for permanent record retention.

Section 7 COMPENSATION

7.1 Source of Funding. The source of funding for this Contract is Local and Other Authorized Use Set-aside of the Drinking Water State Revolving Loan Fund, providing capacity development and technical assistance to public water supplies.

7.2 Not-to-exceed total amount of Contract. Payment for the work performed by Contractor according to the terms of this Contract shall not exceed **\$125,550.00**. Payment shall be for satisfactory completion of the Statement of Work outlined in this Contract, provided that Contractor has complied with the terms of this Contract.

The County shall be paid only for surveys/visits identified on the invoice. The County shall be paid \$215 for each TNC the first year, \$225 for each TNC the second year, and \$235 for each TNC the third year of the contract.

The Department shall pay the County only once for every TNC or fugitive PWS inspected or visited each year of the contract. Follow-up visits on these PWSs are not funded. Unidentified PWSs that are added to the Department's inventory shall qualify for payment.

7.3 Final Notice Acceptance of Implementation of Statements of Work. If DNR concludes, in its sole discretion, that all the Tasks required by the Statement of Work have been timely completed and all deliverables and services required by this Contract have been satisfactorily completed and delivered, and that the implementation of the Statement of Work is completed and successfully deployed, then DNR shall issue a written Final Notice of Acceptance.

7.4 Budget. The budget for this Contract shall be as follows:

Cost	Estimated #TNCs	Quarter	Estimated Invoice Amount	Invoice after
\$ 215	186 / 4 qtrs	July-Sept-2009	\$ 9,997.50	09/30/2009
\$ 215	186 / 4 qtrs	Oct-Dec-2009	\$ 9,997.50	12/31/2009
\$ 215	186 / 4 qtrs	Jan-Mar-2010	\$ 9,997.50	03/31/2010
\$ 215	186 / 4 qtrs	Apr-Jun-2010	\$ 9,997.50	06/30/2010
\$ 225	186 / 4 qtrs	July-Sept-2010	\$ 10,462.50	09/30/2010
\$ 225	186 / 4 qtrs	Oct-Dec-2010	\$ 10,462.50	12/31/2010
\$ 225	186 / 4 qtrs	Jan-Mar-2011	\$ 10,462.50	03/31/2011
\$ 225	186 / 4 qtrs	Apr-Jun-2011	\$ 10,462.50	06/30/2011
\$ 235	186 / 4 qtrs	July-Sept-2011	\$ 10,927.50	09/30/2011
\$ 235	186 / 4 qtrs	Oct-Dec-2011	\$ 10,927.50	12/31/2011
\$ 235	186 / 4 qtrs	Jan-Mar-2012	\$ 10,927.50	03/31/2012
\$ 235	186 / 4 qtrs	Apr-Jun-2012	\$ 10,927.50	06/30/2012
		NOT MORE THAN	\$ 125,550.00	

7.5 Submission of Invoices. Invoices shall be submitted to DNR quarterly.

Each invoice shall itemize the work performed pursuant to the Contract. Each invoice shall comply with all applicable rules concerning payment of such claims and shall contain appropriate documentation necessary to support the fees or charges included in the invoice. DNR shall have the right to dispute any invoice item submitted for payment and to withhold payment of any disputed amount if DNR reasonably believes the invoice is inaccurate or incorrect in any way. Original invoices shall be submitted to:

Charlotte Lafargue Henderson

IDNR Water Supply Section
401 SW 7th Street, Suite M
Des Moines, IA 50309-4611

7.6 Payment of Invoices. DNR shall pay approved invoices in arrears and in conformance with Iowa Code section 8A.514. Unless otherwise agreed to in writing by the parties, the Contractor shall not be entitled to receive any other payment or compensation from the State of Iowa for any services provided by or on behalf of the Contractor under this Contract. Payment will be issued to:

Environmental Health Division
Cerro Gordo County Health Department
22 N Georgia Ave.
Mason City, IA 50401-3435

7.7 No advance payment. No advance payments shall be made for any Deliverables provided by Contractor pursuant to this Contract.

7.8 Delay of Payment Due to Contractor's Failure. If DNR determines that the Contractor has failed to perform or deliver any service or product required by this Contract, then the Contractor shall not be entitled to any compensation, or any further compensation if compensation has already occurred, under this Contract until such service or product is performed or delivered. DNR shall withhold that portion of the invoice amount which represents payment for the task or deliverable that was not completed, delivered and successfully deployed.

7.9 Erroneous Payments and Credits. Contractor shall promptly re-pay or refund to DNR the full amount of any overpayment or erroneous payment within ten (10) business days after either discovery by Contractor or notification by DNR of the overpayment or erroneous payment.

7.10 Set-off Against Sums Owed by Contractor. In the event that Contractor owes DNR or the State of Iowa ("State") any sum (including any State taxes in arrears) under the terms of this Contract, any other Contract, pursuant to a judgment, or pursuant to any law, DNR may set off such sum against any sum invoiced to DNR by Contractor. This may be done in DNR's sole discretion unless otherwise required by law.

7.11 Reimbursable Expenses. There shall be no reimbursable expenses associated with this Contract separate from the compensation referred to in this section, unless agreed to by both parties in an amendment to this Contract or in a Change Order executed by both parties. Unless otherwise specifically provided for in this Contract, Contractor shall be solely responsible for all its costs and expenses, including travel, mileage, meals, lodging, equipment, supplies, personnel, training, salaries, benefits, insurance, conferences, long distance telephone, and all other costs and expenses of the Contractor.

7.12 Stop Services. In addition to its other remedies described herein, DNR shall have the right at any time during the Contract term to direct the services of the Contractor fully or partially suspended or stopped, if the deliverables or services fail to conform to applicable specifications and requirements under this Contract. DNR shall give Contractor the reasons for the stop work directive.

7.13 Final Payment. Before final payment or a termination settlement under this Contract, the Contractor shall execute and deliver to DNR a release of all claims against DNR arising under, or by virtue of, this Contract except claims which are specifically exempted by the Contractor. Unless otherwise provided in this Contract, by state law or otherwise expressly agreed to by the parties to the Contract, final payment under a settlement upon termination of this Contract shall not constitute a waiver of DNR's claims against the Contractor, or the Contractor's sureties under this Contract or applicable performance and payment bonds.

7.14 Filing and Recording of Contract: A copy of this agreement shall be filed with the Secretary of State and a second copy of this agreement shall be recorded with the County Recorder of the county named in this agreement, before it shall be in full force and effect, pursuant to Iowa Code Section 28E.8.