

REQUEST AUTHORIZATION FOR MAYOR AND FINANCE OFFICER TO SIGN PROFESSIONAL SERVICES AGREEMENT OR AMENDMENT

Date: 5/20/2010

Project Name & Number: Corral Drive and Sheridan Lake Road Water Main Replacement CIP #:50816
Project W10-1882

Project Description: Reconstruct existing 12" and 14" water mains in Corral Drive beginning at Skyview Drive and extending easterly to Sheridan Lake Road, thence southerly along Sheridan Lake Road to Summerset Drive.

Consultant: Sperlich Consulting, Inc.

Original Contract Amount: \$24,490.00 Original Contract Date: June 8, 2010 Original Completion Date: August 31, 2010

Addendum No:


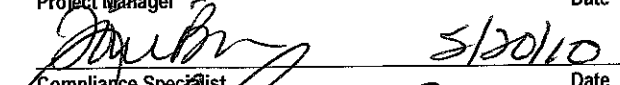



Amendment Description:

Current Contract Amount: _____ Current Completion Date: _____
Change Requested: _____
New Contract Amount: _____ \$0.00 New Completion Date: _____

Funding Source This Request:

Amount	Dept.	Line Item	Fund	Comments
\$24,490.00	933	4223	602	
\$24,490.00	Total			

Agreement Review & Approvals

 Keith Johnson for Rodell Hoag 5/20/10
 Project Manager Date
 5/20/10
 Compliance Specialist Date
 5/20/10
 City Attorney Date
 5-20-10
 Division Manager Date
 5-21-10
 Department Director Date

ROUTING INSTRUCTIONS

Route two originals of the Agreement for review and signatures.

Finance Office - Retain one original

Project Manager - Retain second original for delivery to Consultant

cc: Public Works
Engineering
Project Manager

FINANCE OFFICE USE ONLY

(Note to Finance: Please write date of Agreement in appropriate space in the Agreement document)

Date 5/25/10 Initials [Signature] Approved [Y] N
 Appropriation [] [] [] []
 Cash Flow [] [] [] []

Item # 14

Rev. 03/2009

**Agreement Between City of Rapid City and Sperlich Consulting, Inc.
for Professional Services for Corral Drive and Sheridan Lake Road,
Water Main Replacement Project, City of Rapid City
Project No. W10-1882 / CIP No. 50816**

AGREEMENT made June 8, 2010, between the City of Rapid City, SD (City) and Sperlich Consulting, Inc., (Engineer), located at 821 Columbus Street, Rapid City, South Dakota 57701. City intends to obtain Design Phase Services for Corral Drive and Sheridan Lake Road Water Main Replacement Project, Project No. W10-1882, CIP No. 50816. The scope of services is as described in Exhibits A and B.

The City and the Engineer agree as follows:

The Engineer shall provide professional engineering services for the City in all phases of the Project as defined in Exhibits A and B, serve as the City's professional engineering representative for the Project, and give professional engineering consultation and advice to the City while performing its services.

Section 1—Basic Services of Engineer

1.1 General

- 1.1.1 The Engineer shall perform professional services described in this agreement, which include customary engineering services. Engineer intends to serve as the City's professional representative for those services as defined in this agreement and to provide advice and consultation to the City as a professional. Any opinions of probable project cost, approvals, and other decisions provided by Engineer for the City are rendered on the basis of experience and qualifications and represent Engineer's professional judgment.
- 1.1.2 All work shall be performed by or under the direct supervision of a professional Engineer licensed to practice in South Dakota.
- 1.1.3 All documents including Drawings and Specifications provided or furnished by Engineer pursuant to this Agreement are instruments of service in respect of the Project and Engineer shall retain an ownership therein. Reuse of any documents pertaining to this project by the City on extensions of this project or on any other project shall be at the City's risk. The City agrees to defend, indemnify, and hold harmless Engineer from all claims, damages, and expenses including attorney's fees arising out of such reuse of the documents by the City or by others acting through the City.



1.2 Scope of Work

The Engineer shall:

- 1.2.1 Consult with the City, other agencies, groups, consultants, and/or individuals to clarify and define requirements for the Project and review available data.
- 1.2.2 Perform the tasks described in the Scope of Services. (See Exhibits A and B.)
- 1.2.3 Conduct a location survey of the Project to the extent deemed necessary to provide adequate site information.
- 1.2.4 Prepare a report presenting the results of the study as outlined in the scope of services.

Section 2—Information Provided by City

The City will provide any information in its possession for the project at no cost to the Engineer.

Section 3—Notice to Proceed

The City will issue a written notification to the Engineer to proceed with the work. The Engineer shall not start work prior to receipt of the written notice. The Engineer shall not be paid for any work performed prior to receiving the Notice to Proceed.

Section 4—Mutual Covenants

4.1 General

- 4.1.1 The Engineer shall not sublet or assign any part of the work under this Agreement without written authority from the City.
- 4.1.2 The City and the Engineer each binds itself and partners, successors, executors, administrators, assigns, and legal representatives to the other party to this agreement and to the partners, successors, executors, administrators, assigns, and legal representatives of such other party, regarding all covenants, agreements, and obligations of this agreement.
- 4.1.3 Nothing in this agreement shall give any rights or benefits to anyone other than the City and the Engineer.
- 4.1.4 This agreement constitutes the entire agreement between the City and the Engineer and supersedes all prior written or oral understandings. This agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.



- 4.1.5 The Engineer shall make such revisions in plans which may already have been completed, approved, and accepted by the City, as are necessary to correct errors or omissions in the plans, when requested to do so by the City, without extra compensation therefore.
- 4.1.6 If the City requests that previously satisfactorily completed and accepted plans or parts thereof be revised, the Engineer shall make the revisions requested by the City. This work shall be paid for as extra work.
- 4.1.7 If the City changes the location from the one furnished to the Engineer, or changes the basic design requiring a new survey for the portions so changed, the redesign will be paid for as extra work.
- 4.1.8 The City may at any time by written order make changes within the general scope of this Agreement in the work and services to be performed by the Engineer. Any changes which materially increase or reduce the cost of or the time required for the performance of the Agreement shall be deemed a change in the scope of work for which an adjustment shall be made in the Agreement price or of the time for performance, or both, and the Agreement shall be modified in writing accordingly. Additional work necessary due to the extension of project limits shall be paid for as extra work.
- 4.1.9 Extra work, as authorized by the City, will be paid for separately and be in addition to the consideration of this Section.
- 4.1.10 For those projects involving conceptual or process development services, activities often cannot be fully defined during the initial planning. As the project does progress, facts and conditions uncovered may reveal a change in direction that may alter the scope of services. Engineer will promptly inform the City in writing of such situations so that changes in this agreement can be renegotiated.
- 4.1.11 This Agreement may be terminated (a) by the City with or without cause upon seven days' written notice to the Engineer and (b) by the Engineer for cause upon seven days' written notice to the City. If the City terminates the agreement without cause, the Engineer will be paid for all services rendered and all reimbursable expenses incurred prior to the date of termination.

If termination is due to the failure of the Engineer to fulfill its agreement obligations, the City may take over the work and complete it by agreement or otherwise. In such case, the Engineer shall be liable to the City for any additional cost occasioned thereby.



- 4.1.12 The City or its duly authorized representatives may examine any books, documents, papers, and records of the Engineer involving transactions related to this agreement for three years after final payment.
- 4.1.13 The City shall designate a representative authorized to act on the City's behalf with respect to the Project. The City or such authorized representative shall render decisions in a timely manner pertaining to documents submitted by the Engineer in order to avoid unreasonable delay in the orderly and sequential progress of the Engineer's services.
- 4.1.14 Costs and schedule commitments shall be subject to renegotiation for delays caused by the City's failure to provide specified facilities or information or for delays caused by unpredictable occurrences including without limitation, fires, floods, riots, strikes, unavailability of labor or materials, delays or defaults by suppliers of materials or services, process shutdowns, acts of God, or the public enemy, or acts of regulations of any governmental agency. Temporary delays of services caused by any of the above which results in additional costs beyond those outlined may require renegotiation of this agreement.
- 4.1.15 The City will give prompt written notice to the Engineer if the City becomes aware of any fault or defect in the Project or nonconformance with the Project Documents.
- 4.1.16 Unless otherwise provided in this Agreement, the Engineer and the Engineer's consultants shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to hazardous materials in any form at the project site, including but not limited to asbestos products, polychlorinated biphenyl (PCB), or other toxic substances.
- 4.1.17 In the event asbestos or toxic materials are encountered at the jobsite, or should it become known in any way that such materials may be present at the jobsite or any adjacent areas that may affect the performance of Engineer's services, Engineer may, at their option and without liability for consequential or any other damages, suspend performance of services on the project until the City retains appropriate specialist CONSULTANT(S) or contractor(s) to identify, abate, and/or remove the asbestos or hazardous or toxic materials.
- 4.1.18 This agreement, unless explicitly indicated in writing, shall not be construed as giving Engineer the responsibility or authority to direct or supervise construction means, methods, techniques, sequences, or procedures of construction selected by any contractors or subcontractors or the safety precautions and programs incident to the work of any contractors or subcontractors.



- 4.1.19 Neither the City nor the Engineer, nor its Consultants, shall hold the other liable for any claim based upon, arising out of, or in any way involving the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, or gases, waste materials, or other irritants, contaminants, or pollutants.
- 4.1.20 Neither the City nor the Engineer, nor its Consultants, shall hold the other liable for any claim based upon, arising out of, or any way involving the specification or recommendation of asbestos, in any form, or any claims based upon use of a product containing asbestos.
- 4.1.21 Engineer hereby represents and warrants that it does not fail or refuse to collect or remit South Dakota or City sales or use tax for transactions which are taxable under the laws of the State of South Dakota.

4.2 City of Rapid City NonDiscrimination Policy Statement

In compliance with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination act of 1975, the Americans with Disabilities Act of 1990, and other nondiscrimination authorities it is the policy of the City of Rapid City, 300 Sixth Street, Rapid City, SD 57701-5035, to provide benefits, services, and employment to all persons without regard to race, color, national origin, sex, disabilities/handicaps, age, or income status. No distinction is made among any persons in eligibility for the reception of benefits and services provided by or through the auspices of the City of Rapid City.

Engineer will permit access to any and all records pertaining to hiring and employment and to other pertinent data and records for the purpose of enabling the Commission, its agencies or representatives, to ascertain compliance with the above provisions.

This section shall be binding on all subcontractors or suppliers.

Section 5—Payments to the Engineer

5.1 Schedule of Pay Rates

The City will pay the Engineer for services rendered or authorized extra work according to the Engineer's hourly rate schedule. (See Exhibit C.)

5.2 Fee

The maximum amount of the fee for the services as detailed in Section 1.2 shall not exceed \$24,490.00 unless the scope of the project is changed as outlined in Section 4. If expenses exceed the maximum amount, the Engineer shall complete the design as agreed upon here without any additional compensation. Sub task dollar amounts may be reallocated to other tasks as long as the total fee is not exceeded.



5.3 Progress Payments

Monthly progress payments shall be processed by the City upon receipt of the claim as computed by the Engineer based on work completed during the month at the rates established in Section 5.1 and approved by the City.

Net payment to the Engineer shall be due within forty-five (45) days of receipt by the City.

Section 6—Completion of Services

The Engineer shall complete services on or before August 31, 2010.

Section 7—Insurance Requirements

7.1 Insurance Required

The Engineer shall secure the insurance specified below. The insurance shall be issued by insurance company(s) acceptable to the City and may be in a policy or policies of insurance, primary or excess. Certificates of all required insurance including any policy endorsements shall be provided to the City prior to or upon the execution of this Agreement.

7.2 Cancellation

The Engineer will provide the City with at least 30 days' written notice of an insurer's intent to cancel or not renew any of the insurance coverage. The Contractor agrees to hold the City harmless from any liability, including additional premium due because of the Contractor's failure to maintain the coverage limits required.

7.3 City Acceptance of Proof

The City's approval or acceptance of certificates of insurance does not constitute City assumption of responsibility for the validity of any insurance policies nor does the City represent that the coverages and limits described in this agreement are adequate to protect the Engineer, its consultants or subcontractors interests, and assumes no liability therefore. The Engineer will hold the City harmless from any liability, including additional premium due, because of the Engineer's failure to maintain the coverage limits required.



7.4 Specific Requirements

- 7.4.1 Workers' compensation insurance with statutory limits required by South Dakota law. Coverage B-Employer's Liability coverage of not less than \$500,000 each accident, \$500,000 disease-policy limit, and \$500,000 disease-each employee.
- 7.4.2 Commercial general liability insurance providing occurrence form contractual, personal injury, bodily injury and property damage liability coverage with limits of not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, and \$2,000,000 aggregate products and completed operations. If the occurrence form is not available, claims-made coverage shall be maintained for three years after completion of the terms of this agreement. The policy shall name the City and its representatives as an additional insured.
- 7.4.3 Automobile liability insurance covering all owned, nonowned, and hired automobiles, trucks, and trailers. The coverage shall be at least as broad as that found in the standard comprehensive automobile liability policy with limits of not less than \$1,000,000 combined single limit each occurrence. The required limit may include excess liability (umbrella) coverage.
- 7.4.4 Professional liability insurance providing claims-made coverage for claims arising from the negligent acts, errors or omissions of the Engineer or its consultants, in the amount of \$1,000,000 each occurrence and \$1,000,000 annual aggregate. Coverage shall be maintained for at least three years after final completion of the services.

Section 8—Hold Harmless

The Engineer hereby agrees to hold the City harmless from any and all claims or liability including attorneys' fees arising out of the professional services furnished under this Agreement, and for bodily injury or property damage arising out of services furnished under this Agreement, providing that such claims or liability are the result of a negligent act, error or omission of the Engineer and/or its employees/agents arising out of the professional services described in the Agreement.

Section 9—Independent Business

The parties agree that the Engineer operates an independent business and is contracting to do work according to his own methods, without being subject to the control of the City, except as to the product or the result of the work. The relationship between the City and the Engineer shall be that as between an independent contractor and the City and not as an employer-employee relationship. The payment to the Engineer is inclusive of any use, excise, income or any other tax arising out of this agreement.



Section 10-Indemnification

If this project involves construction and Engineer does not provide consulting services during construction including, but not limited to, onsite monitoring, site visits, site observation, shop drawing review and/or design clarifications, City agrees to indemnify and hold harmless Engineer from any liability arising from the construction activities undertaken for this project, except to the extent such liability is caused by Engineer's negligence.

Section 11-Controlling Law and Venue

This Agreement shall be subject to, interpreted and enforced according to the laws of the State of South Dakota, without regard to any conflicts of law provisions. Parties agree to submit to the exclusive venue and jurisdiction of the State of South Dakota, 7th Judicial Circuit, Pennington County.

Section 12-Severability

Any unenforceable provision herein shall be amended to the extent necessary to make it enforceable; if not possible, it shall be deleted and all other provisions shall remain in full force and effect.

Section 13—Funds Appropriation

If funds are not budgeted or appropriated for any fiscal year for services provided by the terms of this agreement, this agreement shall impose no obligation on the City for payment. This agreement is null and void except as to annual payments herein agreed upon for which funds have been budgeted or appropriated, and no right of action or damage shall accrue to the benefit of the Engineer, its successors or assignees, for any further payments. For future phases of this or any project, project components not identified within this contract shall not constitute an obligation by the City until funding for that component has been appropriated.



IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement as of the day and year first above written.

City of Rapid City:

Engineer:

MAYOR

Kale R. McNaboe
Kale R. McNaboe, Sperlich Consulting, Inc.

DATE: _____

DATE: 5-20-10

ATTEST:

FINANCE OFFICER

Reviewed By:

Keith Johnson for
Rodell Grosz, PROJECT MANAGER

DATE: 5-20-10



EXHIBIT A

Scope of Services – Project Location Map

TASK 1 - PRELIMINARY DESIGN SERVICES:

This task consists of all services necessary to take the project from beginning through the Preliminary Design submittal stage, and may include the following itemized services.

- 1.1 Kick-off Conference: The consultant shall meet with City staff to detail project concept and scope. The consultant shall prepare an agenda, take minutes, and distribute minutes.
- 1.2 Review background information listed in this RFP, and any other resources as necessary. **Background information includes City of Rapid City GIS maps, Burns and McDonald Master Plan, City of Rapid City Bench Mark Data, and plans of existing facilities.**
- 1.3 Prepare Project Design Report: The consultant shall establish and indicate project specific design criteria and standards within the Project Design Report (including ADA requirements). The consultant shall submit all design assumptions for typical section (pavement width, sidewalk location, water main location, etc), design life, design criteria, and reference of design resources. The Project Design Report shall evaluate and recommend pavement design; based on a life cycle cost analysis, preliminary horizontal and vertical alignment for utilities, roadways, and other public improvements. Establish pipe sizes, lane configurations, drainage system capacity, complete water quality assessment, etc. Provide justification for the facility and analysis of alternatives. Use the City Draft Utility Design Criteria Manual to establish design criteria and standards. The project's geotechnical report shall be included within the Project Design Report, and include soil classifications, N values, water levels, CBR's, resistivity tests, pavement design, and testing recommendations. Submit three (3) copies of the Project Design Report and preliminary plans and specifications to City of Rapid City's project manager for review and comment.
- 1.4 Perform site surveys sufficient for design plan preparation. The route and topography survey shall be tied to at least two City of Rapid City Monument Control system monuments utilizing State Plane coordinates.
- 1.5 Prepare preliminary opinion of probable construction costs for the project.
- 1.6 Recommend location and extent of geotechnical services investigations necessary to complete design. Geotechnical services will be a sub consultant to the Consultant and payment for geotechnical services is the responsibility of the Consultant.
- 1.7 Prepare preliminary plan and profile sheets including locations of existing and new utilities and street alignment. Show existing utilities locations with probable depths.
- 1.8 Attend submittal review meeting with City staff, if necessary.

TASK 2 - FINAL DESIGN SERVICES:

This task consists of all services necessary to take project from Task 1 Preliminary Design Services through the Final Design Services, and may include the following itemized services.

- 2.1 Address City comments from the Task 1 City review(s) and finalize Project Design Report,
- 2.2 Determine removal limits with approval of City of Rapid City representative.
- 2.3 Coordinate with the geotechnical engineer to complete these services, and provide a geotechnical report to be included in the Project Design Report and project plans or specifications,
- 2.4 Incorporate design features as necessary to meet the required ADA standards. All applicable ADA requirements shall be outlined in the Project Design Report.,
- 2.5 Incorporate Erosion and Sediment Control items,
- 2.6 Provide Erosion and Sediment Control Plans, and include the appropriate bid items in the bidders proposal if more than one acre is disturbed. If less than one acre is disturbed, the contractor shall provide an Erosion and Sediment Control Plan and a bid item for "Erosion and Sediment Control Plan" shall be included in the bidders proposal.
- 2.7 Complete the, "Flood Management Project Water Quality Impact Assessment Checklist Form", attachment three and incorporate applicable measures within the construction documents as necessary.
- 2.8 Provide three (3) copies of the finalized Project Design Report,
- 2.9 Provide three (3) copies of the Final Design Services submittal. The submittal shall consist of complete plans, specifications, contract documents, and opinion of probable construction cost to the City of Rapid City's project manager for review. The Final Design Services submittal will be made to the City when the consultant believes the plans, specifications, contract documents, and opinion of probable construction cost are 100% complete.
- 2.10 Address 100% submittal staff comments as necessary.
- 2.11 Provide complete plans and specifications for a unit price construction contract. Plan sheets shall be prepared utilizing the latest City of Rapid City Drafting Standards.
- 2.12 Plans documents shall adhere to current City of Rapid City guidelines.
- 2.13 Staking information shall include either of the following formats:
 - On the Plans
 - Station offsets for all items of work requiring field staking.
 - In tabular form on a plan sheet (schedule)
 - Coordinates and description of inter-visible control points.
 - Coordinates of all items of work requiring field staking.
 - Benchmark information shall be provided on each sheet.
- 2.14 Provide project layout to include lot lines (front and side) and addresses of all properties (adjacent to construction, or alternatively, in service area). Identify if property is owner occupied or a rental.
- 2.15 Provide conceptual traffic control plan showing all streets and alleys that may be impacted by the construction of this project. Show all existing signage, pavement markings, etc. All work zones, road closures, lane closures, and pavement marking removals shall be indicated on the plan. Traffic control plans shall indicate suggested sequence, intent, and

general guidelines, but does not require identification or placement of project specific traffic control items. The City will provide an electronic version of an aerial photo for the selected consultant's use.

- 2.16 Coordinate directly with utility companies' engineering divisions to ensure that all existing utilities are completely and accurately identified and located in the field; that pertinent information regarding depth, material, size, etc. are noted on the plans; and that conflicts requiring relocation of utilities or special construction techniques are fully specified in the contract documents. Preliminary plans shall be provided to the pertinent utilities for comment at the time they are complete followed by a specific private utility coordination meeting in two to three weeks.
- 2.17 If desiring exceptions from City requirements or specifications, it is the Consultant's responsibility to request and secure exceptions. Failure by the City to comment on a nonconforming item during a review does not constitute the granting of an exception.
- 2.18 Provide detailed specifications **as applicable** supplementing the City of Rapid City Standard Specifications, as necessary. Typically project drawing specific issues should be indicated as a General Note on the drawings. Material types and material specific items would be included as a detailed specification.
- 2.19 Prepare any and all permits with exhibits required for the City.
- 2.20 Identify permits that will be required for the Contractor. Identify permit costs and indicate if any permit costs are paid for directly by the owner or if it is a Contractor cost. Typically all permit costs are the Contractor's obligation.
- 2.21 Prepare final "Engineer's Estimate" of probable construction cost for the project.
- 2.22 Deliver the following:
 - Provide **originals** of bid documents including complete plans, specifications, contract documents, and Engineer's Estimate of probable construction cost to the City of Rapid City's project manager for City distribution. **The City shall be responsible for reproducing the plans for distribution. The Engineer shall "proof" the plans and specs before distribution.**
 - Provide complete plans on CD compatible with AutoCAD Release 2006 to 2008 format.
 - Provide all topographic, control, and design points in the .dwg file and in tabular format, both on CD and on hard copy printout.
 - Provide complete specifications and contract documents on CD in Microsoft Word XP or previous versions.
 - Provide a unit price cost estimate on CD in Microsoft Excel XP or previous version on the City of Rapid City "Engineer's Estimate" form.
 - Provide Engineer's Estimate of probable construction costs as a component of this submittal.
- 2.23 All submittals (drawings and specifications) believed by the Engineer of Record to be a final, shall contain a Certification Statement of Conformance with City Standards which shall read, "I (insert Engineer of Record's name) Certify that I have read and understand the provisions contained in the City of Rapid City Standard Specifications for Public Works Construction, current edition and the City of Rapid City's adopted Design Criteria Manuals. The drawings and specifications contained here within, to the best of my knowledge, were prepared in accordance with these documents or a properly executed exception to the Standard Specifications and/or Infrastructure Design Criteria Manual has been secured". This statement shall appear on the title sheet of the drawings and on the first

page of specifications after the cover sheet. The "Certification Statement of Conformance with City Specifications" shall be signed and dated by the Engineer of Record.

2.24 **The City** shall submit plans and specifications to the Department of Environment and Natural Resources for approval. **The Engineer** shall address any comments or corrections required.

TASK 3 – BIDDING SERVICES:

This task consists of all services necessary for the administration of the Bidding Services of the project, and may include the following itemized services.

- 3.1 Submit sufficient information to the City of Rapid City project manager for completion of City Advertising Authority form.
- 3.2 **Provide originals and electronic copies of the plans and specifications for City copying and distribution to bidders and the City of Rapid City**, Provide Engineer's Estimate of probable construction cost to the City of Rapid City's project manager for City distribution.
- 3.3 Conduct a Pre-bid Conference. Record attendance and minutes. Distribute copies to all attendees.
- 3.4 Issue addenda to the bid documents as required.
- 3.5 Attend the bid opening (to be held at the City Finance Office).
- 3.6 **Review** the Bid Tab and certify the Bid Tab.
- 3.7 Prepare an award recommendation letter to the City of Rapid City project manager.
- 3.8 Review construction contract documents and other submittals from the contractor and submit to City of Rapid City project manager for distribution to City Attorney's for approval and signatures of the Mayor and Finance Officer.

CONSULTANT SCHEDULE

The Consultant services shall be in accordance with the schedule set forth below:

Contract Negotiations Complete	May 26, 2010
Notice to Proceed with Design	June 8, 2010
Preliminary Design Submittal	To Be Determined
Final Plans, Specifications, Contract Documents	To Be Determined
Bid Opening	August 10 or August 31, 2010
Proposed Construction Completion	Approx: December 10, 2010

SHERIDAN LAKE ROAD WATER MAIN RECONSTRUCTION PROJECT

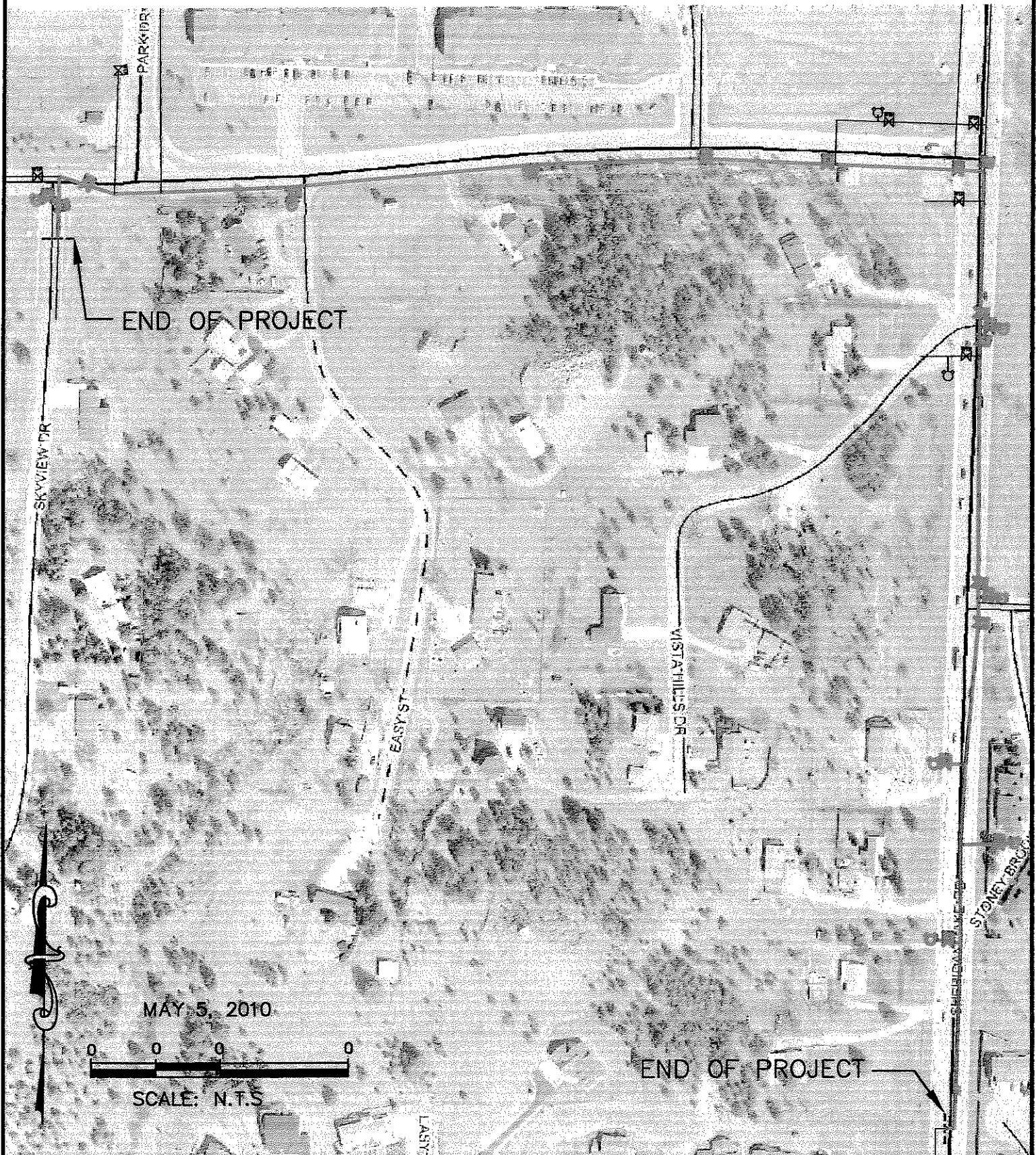


EXHIBIT B

Cost Allocation

PROJECT: CORRAL DRIVE AND SHERIDAN LAKE ROAD WATER MAIN REPLACEMENT PROJECT

No.: CITY OF RAPID CITY PROJECT NO. W10-1882 / CIP NO. 50816

BY: SPERLICH CONSULTING, INC

DATE: MAY 20, 2010

TASK NUMBER	CORRAL DRIVE AND SHERIDAN LAKE ROAD WATER MAIN REPLACEMENT PROJECT CITY OF RAPID CITY PROJECT NO. W10-1882 / CIP NO. 50816	COST
TASK 1 - PRELIMINARY DESING SERVICES		
1.1	KICK OFF CONFERENCE	\$210.00
1.2	REVIEW BACKGROUND INFORMATION	\$525.00
1.3	PREPARE PROJECT DESIGN REPORT	\$1,360.00
1.4	PERFORM SITE SURVEY	\$4,350.00
1.5	PREPARE PRELIMINARY CONSTRUCTION COSTS EST.	\$300.00
1.6	DETERMINE THE LOCATION AND EXTENT OF GEOTECHNICAL WORK	\$410.00
1.7	PREPARE PRELIMINARY PLAN AND PROFILE SHEETS	\$5,040.00
1.8	ATTEND SUBMITTAL REVIEW W/ CITY STAFF	\$210.00
TASK #1 TOTAL COST =		\$12,405.00
TASK 2 - FINAL DESING SERVICES		
2.1	FINALIZE PROJECT DESING REPORT	\$730.00

PROJECT: CORRAL DRIVE AND SHERIDAN LAKE ROAD WATER MAIN REPLACEMENT PROJECT

No.: CITY OF RAPID CITY PROJECT NO. W10-1882 / CIP NO. 50816

BY: SPERLICH CONSULTING, INC

DATE: MAY 20, 2010

TASK NUMBER	CORRAL DRIVE AND SHERIDAN LAKE ROAD WATER MAIN REPLACEMENT PROJECT CITY OF RAPID CITY PROJECT NO. W10-1882 / CIP NO. 50816	COST
2.2	DETERMINE REMOVEL LIMITS	\$320.00
2.3	FINALIZE THE GEOTECHNICAL REPORT	\$2,635.00
2.4	INCORPORATE ADA COMPLIANCE ITEMS	\$340.00
2.5	INCORPORATE EROSION AND SEDIMENT CONTROL ITEMS	\$550.00
2.6	PREPARE EROSION AND SEDIMENT CONTROL PLANS	\$660.00
2.7	COMPLETE "FLOOD MANAGEMENT PROJECT WATER QUALITY...FORM"	\$105.00
2.8	PROVIDE 3-COPIES OF THE FINALIZED PROJECT DESING REPORT	\$1,160.00
2.9	PROVIDE 3-COPIES OF FINAL DESIGN SERVICES SUBMITTAL	\$1,260.00
2.10	ADDRESS 100% SUBMITTAL RED-LINE COMMENTS	\$570.00
2.11	PROVIDE COMPLETE PLANS AND SPECS	\$270.00
2.12	PLAN REVISIONS TO CITY DRAFTING STANDARD	\$55.00
2.13	PLACE STAKING INFORMATION ON THE PLANS	\$200.00
2.14	PROVIDE PROJECT LAYOUT TO LOT LINES INCLUDING ADDRESSES	\$165.00
2.15	PROVIDE CONCEPTUAL TRAFFIC CONTROL PLAN	\$340.00

PROJECT: CORRAL DRIVE AND SHERIDAN LAKE ROAD WATER MAIN REPLACEMENT PROJECT

No.: CITY OF RAPID CITY PROJECT NO. W10-1882 / CIP NO. 50816

BY: SPERLICH CONSULTING, INC

DATE: MAY 20, 2010

TASK NUMBER	CORRAL DRIVE AND SHERIDAN LAKE ROAD WATER MAIN REPLACEMENT PROJECT CITY OF RAPID CITY PROJECT NO. W10-1882 / CIP NO. 50816	COST
2.16	COORDINATE WITH UTILITY COMPANIES	\$210.00
2.17	MAKE DESIGN EXCEPTION SUBMITTALS	\$97.50
2.18	DETAILED SPECIFICATIONS TO BID DOCUMENT w/ FRONT END DOCS	\$52.50
2.19	PREPARE ALL PERMITS AND EXHIBITS	\$100.00
2.20	IDENTIFY ALL PERMITS REQUIRED BY THE CONTRACTOR	\$52.50
2.21	PREPARE "FINAL ENGINEERS ESTIMATE"	\$470.00
2.22	PROVIDE ORIGINALS OF BID DOCUMENT, PLANS, SPECS, ETC.	\$45.00
2.23	PLACE ENGINEERS CERTIFICATION STAMP ON THE DRAWINGS	\$80.00
2.24	SUBMITT PLANS AND SPECS TO THE DENR	\$22.50
TASK #2 TOTAL COST =		\$10,490.00
TASK 3 - BIDDING SERVICES		\$0.00
3.1	ASSIST IN PREPARATION OF CITY'S ADVERTIZING AUTHORITY FORM	\$52.50
3.2	DELIVER ORIGINALS AND ELECTRONIC COPIES OF PLANS AND SPECS TO CITY	\$22.50

PROJECT: CORRAL DRIVE AND SHERIDAN LAKE ROAD WATER MAIN REPLACEMENT PROJECT

No.: CITY OF RAPID CITY PROJECT NO. W10-1882 / CIP NO. 50816

BY: SPERLICH CONSULTING, INC

DATE: MAY 20, 2010

TASK NUMBER	CORRAL DRIVE AND SHERIDAN LAKE ROAD WATER MAIN REPLACEMENT PROJECT CITY OF RAPID CITY PROJECT NO. W10-1882 / CIP NO. 50816	COST
3.3	CONDUCT THE PRE-BID CONFERENCE	\$315.00
3.4	ISSUE ADDENDA TO THE BID DOCUMENTS	\$530.00
3.5	ATTEND THE BID OPENING	\$105.00
3.6	REVIEW BID TAB AND CERTIFY BID TAB	\$210.00
3.7	PRESENT AWARD RECOMMENDATION TO CITY PROJECT MANAGER	\$150.00
3.8	REVIEW CONSTRUCTION CONTRACT DOCUMENTS AND SUBMITTALS	\$210.00
TASK #3 TOTAL COST =		\$1,595.00

CORRAL DRIVE AND SHERIDAN LAKE ROAD, WATER MAIN REPLACEMENT PROJECT = \$24,490.00

EXHIBIT C

Effective Labor Rates

EFFECTIVE LABOR RATES

**SPERLICH CONSULTING, INC.
HOURLY RATES AND REIMBURSABLE COSTS
2010**

Principal – Project Manager	\$ 105.00/hr.
Principal Design Engineer	\$ 105.00/hr.
Design Engineer	\$ 85.00/hr.
Registered Land Surveyor	\$ 100.00/hr.
Survey Crew – 2 Man	\$ 95.00/hr.
Survey Crew – 3 Man	\$ 135.00/hr.
Engineer's On - Site Representative	\$ 400.00/day
Engineer's On - Site Rep. (Dual Project)	\$ 450.00/day
Design Tech I	\$ 65.00/hr.
Design Tech II	\$ 55.00/hr.
Clerical	\$ 45.00/hr.
Mileage	\$ 0.55/mi.
Blue line copies	\$ 0.40/s.f.
Mylar Copy-15x26	\$ 5.00/each
Photo copies	\$ 0.50/ea.
Authorized commercial travel	1.1 x cost
Other Reimbursable Expenses	1.1 x cost
Sub-Consultants	Cost Per Exhibit "B"