

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

**Date: January 10, 2012**

**Project Name & Number:** Water Reclamation Facility Pretreatment Improvements – Construction and Installation; WRF11-1928 **CIP #:** 50855

**Project Description:** Provide construction phase services for improvements to the WRF Pretreatment System screening and grit handling equipment, piping, valves, HVAC, controls and building.

**Consultant:** HDR Engineering, Inc.

**Original Contract Amount:** \$148,618.00 **Original Contract Date:** January 17, 2012 **Original Completion Date:** Dec. 1, 2012

**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
\$148,618.00	833	4223	604	
	<b>Total</b>			

**Agreement Review & Approvals**

*[Signature]* 1-3-12  
 Project Manager Date  
*[Signature]* 1/3/12  
 Compliance Specialist Date  
 \_\_\_\_\_ Date  
 City Attorney

*[Signature]* 1-4-12  
 Division Manager Date  
 \_\_\_\_\_ Date  
 Department Director

**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	Initials	Approved
		Y N
Appropriation		Y N
Cash Flow		Y N

**Agreement Between City of Rapid City and HDR Engineering, Inc.  
for Professional Services for Water Reclamation Facility Pretreatment  
Improvements – Construction and Installation, Project No. WRF11-1928 / CIP No.  
50855**

AGREEMENT made January 17, 2012, between the City of Rapid City, SD (City) and HDR Engineering, Inc., (Engineer), located at 3820 Jackson Boulevard, Suite 1, Rapid City, South Dakota 57702. City intends to obtain construction administration services for Water Reclamation Facility Pretreatment Improvements – Construction and Installation, Project No. WRF11-1928, CIP No. 50855. 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.)

## 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 be paid for any authorized, necessary 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 Engineer's 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. In such case, the Engineer shall be liable to the City for any additional cost to the extent directly resulting from Engineer's action.



- 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. All examinations will be performed at reasonable times, with proper notice. Engineer's documentation will be in a format consistent with general accounting procedures.
- 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 other parties, excluding subcontractors and subconsultants, predictable 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 or any other conditions or circumstances beyond the control of the City or Engineer. 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**

This section shall be binding on all subcontractors or suppliers.

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.



## **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 \$148,618.00 unless the scope of the project is changed as outlined in Section 4. If expenses exceed the maximum amount, the Engineer shall complete the construction administration 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. Prime consultant may not mark up subconsultant or subcontractor services.

### **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 90 days after construction contract is completed.

## **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 Engineer agrees to hold the City harmless from any liability, including



additional premium due because of the Engineer'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, 7<sup>th</sup> 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

William W Banker  
HDR Engineering, Inc.

DATE: \_\_\_\_\_

DATE: Dec 30, 2011

ATTEST:

\_\_\_\_\_  
FINANCE OFFICER

Reviewed By:

Dan Coon  
Dan Coon, PROJECT MANAGER

DATE: Jan 3, 2012

City's Designated Project Representative:

Engineering Firm's Designated Project Representative:

NAME Dan Coon, PE  
PHONE (605) 394-4154  
EMAIL dan.coon@rcgov.org

NAME Dan Graber, PE  
PHONE (605) 977-7767  
EMAIL Dan.Graber@hdrinc.com



**EXHIBIT A****SCOPE OF ENGINEERING SERVICES****WATER RECLAMATION FACILITY  
PRETREATMENT IMPROVEMENTS – CONSTRUCTION PHASE  
PROJECT NO. WRF11-1928 CIP 50855****PROJECT DESCRIPTION**

HDR will provide construction management services related to the Pretreatment Improvements project. The Construction Phase is the third and final phase of the Pretreatment Improvements project which has been preceded by an Evaluation Phase and Design and Bidding Phase. Construction documents have been developed and the project bid on December 20, 2011.

The Evaluation Phase of this project culminated with an Evaluation Phase Report and included the following tasks:

1. Evaluated the existing pretreatment facility. The evaluation included screening equipment, grit equipment, influent metering, HVAC equipment, electrical systems, architectural items, and miscellaneous improvements to the pretreatment facility.
2. Developed alternatives and assisted the City in selecting a screening equipment technology (multi-rake bar screen) that was determined to best suit the City's needs.
3. Provided an Evaluation Phase Report that included recommendations for system improvements and cost estimates for the systems evaluated.

The Design and Bidding Phase of this project will be completed following the bid opening and preparation of an award recommendation. The Design and Bidding Phase included the following:

1. Contract Documents and Bidding Assistance for two Equipment Procurement packages; screens and washer/compactors.
2. Final design and Contract Documents for the improvements that the City has determined to be necessary.
3. Bidding Assistance.

The Construction Phase of the project will include the following:

1. Basic and Expanded Construction Services.

**BACKGROUND INFORMATION**

Background information previously provided to HDR includes Construction Plans for the original plant (Waste Treatment Facilities 1965), plans for expansion and replacement projects (Wastewater Treatment Plant Improvements 1981, Electrical Renovations 1990, Pretreatment System Renovations and Septage Handling Facilities 1991, Water Reclamation Facility Improvements 2001, Water Reclamation Facility Expansion 2002), and plans for the influent sewer (Outfall Sewer 1965). The most recent Facilities Plan by McLaughlin Water was provided and historical wastewater flows were provided for the most recent five years.

**PROJECT SCHEDULE**

Please note that the attached Exhibit B spreadsheet with estimated manhours and associated fee was based on an anticipated construction schedule. If, for some unforeseen reason, the construction schedule extends beyond this time frame then additional hours or an adjustment in daily inspection levels may be needed in order to meet the project requirements. The estimated manhours were based on project completion deadlines as follows:

Bid Opening Date	December 20, 2011
Construction Completion Date	November 1, 2012

**SCOPE OF SERVICES****TASK 1 – BASIC CONSTRUCTION SERVICES:**

This task consists of all services necessary for the administration of the Basic Construction Services of the project construction stage, and may include the following itemized services.

- 1.1 Project Management and Administration consisting of all correspondence with the City and other project stakeholders as necessary.
- 1.2 Schedule, coordinate, and conduct a Pre-Construction Conference. Prepare agenda, record minutes, and distribute minutes by addendum. Coordinate with SD DENR and Black Hills Council of Governments for compliance with requirements of SRF loan funding.
- 1.3 Receive, log and coordinate reviews and responses to Contractor's requests for information/interpretations (RFI's).
- 1.4 Administer necessary or desirable changes in the Work utilizing systems to track changes from initiation through completion.
  - a. Coordinate the preparation and issuance of necessary or desirable changes in the form of Change Proposal Requests (CPR's).
  - b. Review costs presented on Change Proposal Requests by Contractor, and conduct negotiation of pricing as necessary.
  - c. Review all Change Proposal Request items and negotiated costs with Owner for Owner's approval.
  - d. Assemble approved Change Proposal Requests periodically into Change Orders. Include justification documentation with each Change Order.
  - e. Maintain current status log of all Change Proposal Requests and Change Orders and review at construction progress meetings.
  - f. Review as recorded drawings to verify changes in work are reflected as applicable.
  - g. Review pay requests to verify Change Order items are broken out and that payment is not made until work is complete.
  - h. Owner will submit change orders to SD DENR for approval.
- 1.5 Administer shop drawing and other submittal requirements to effect substantial compliance with the intent of the Contract requirements.

- a. Review and approve the Contractor's shop drawing submittal schedule to ascertain that all significant submittals are accounted for.
  - b. Receive, log and conduct review of shop drawing submittals to confirm Contractor's compliance requirements.
  - c. Distribute for review and re-distribute reviewed shop drawings, operation and maintenance manuals and equipment data sheets, and other submittal information.
  - d. Establish and maintain a tracking system for submittals to provide review action status identification of each submittal as well as submittal distribution status.
  - e. Verify at Substantial Completion that all shop drawings on file have A or B Review actions, and that all required operation and maintenance information and warranties have been received.
  - f. Receive, log and take appropriate action on miscellaneous informational submittals generated by the Contractor during construction.
- 1.6 Prepare "As-Recorded" plans and specifications. "As-Recorded" plans and specifications shall be submitted as a hard copy and on CD compatible with current AutoCAD Release. Submit to Engineering Services within 30 days of project completion.

#### TASK 2 – EXPANDED CONSTRUCTION SERVICES:

This task consists of all services necessary for the administration of the Expanded Construction Services of the project construction stage, and may include the following itemized services.

- 2.1 Schedule, coordinate, and conduct progress meetings every other week. Prepare agenda, record minutes, and distribute to all attendees.
- 2.2 Review, approve, and monitor the Contractor's detailed construction schedule.
  - a. Ascertain that the Contractor has accounted for the scheduling of all significant components of the total construction, has sequenced activity to conform with stipulated sequencing, and has scheduled to meet the project completion date.
  - b. Evaluate look-ahead schedules and actual progress with respect to the approved planned progress schedule, and report status at construction meetings
- 2.3 Attend and document pre-installation conferences for screens, washer/compactors, and grit classifier equipment.
  - a. Coordination of Owner-furnished materials and equipment with the Contractor.
- 2.4 Provide on-site observation as necessary to assure that the methods and materials used by the contractor meet the intent of the plans and specifications. **HDR's estimated manhours and fee was based on 16 hours per week of on-site observation for the duration of the construction project.**
  - a. A total of 8 trips for discipline specific (architectural, electrical, instrumentation and controls, etc) on-site observation are included in this task item.
- 2.5 Prepare a record of observed construction activities. A record of activity will be maintained by the inspector including weather conditions, construction progress, deviations from the plans and specifications, work performed, quantities installed and any other pertinent information.
- 2.6 Observe, document and respond to Contractor's non-compliance with regulatory and permit requirements specifically enumerated by the Contract Documents. Review of

- certified payroll reports and monitoring of compliance with Labor and Wage Determination requirements is not provided by HDR.
- 2.7 Coordinate with subconsultant to provide assurance testing (or witness Contractor testing) according to the Specifications. HDR will be responsible to assist in coordinating testing schedules, notifying testing company of requirements, and collecting test results.
  - 2.8 Review site conditions during construction to determine that the Contractor is maintaining site-related items in accordance with the Contract Documents.
    - a. Periodically review overall condition of site for excessive construction debris, erosion, proper drainage, weed control and access/egress maintenance.
    - b. Periodically review Storm Water Pollution Prevention Plan controls for compliance with the approved plan.
    - c. Document deficiencies and notify the Contractor.
  - 2.9 Review stored materials and/or equipment for quantity determination for Contractor payment and to verify that equipment and/or materials are adequately protected until installed.
  - 2.10 Review salvaged materials and equipment to verify those items are salvaged and stored properly and that all items to be scheduled for salvage are accounted for.
  - 2.11 Take photos to document construction progress or construction deficiencies. Develop and maintain a logging system to enable easy retrieval of photos.
  - 2.12 Review Contractor's as-recorded drawings, throughout the course of the project, to verify the as-recorded drawings are up-to-date with contract modifications and annotated to reflect actual construction.
  - 2.13 Administer payment applications.
    - a. Review and approve the Contractor's Schedule of Values to establish a reasonably balanced distribution of costs to serve as a basis for progress payments and determination of cost impact of changes.
    - b. Receive and review draft application for payment prepared by the Contractor and provide recommendation as to approval.
  - 2.14 Achieve an orderly, well-documented and complete Project Closeout of the construction contract.
    - a. Prepare and submit a project completion punch list to the Contractor and Engineering Services and oversee its completion.
    - b. Verify submittal of all required documents.
    - c. Review Contractor Record Drawings.
    - d. Administer Final Payment. Finalize all project costs and determine the final adjusted amounts for construction.
    - e. Prepare and submit City of Rapid City project "Construction Project Close-out Checklist" indicating compliance with specifications and acceptance of the various infrastructure components.
    - f. Prepare letter of certification of project completion verifying compliance with plans and specifications and start of warranty period.
    - g. Prepare a letter to SD DENR notifying them of project completion and provide closeout documents such as the DENR acceptance form and final pay application.

**EXHIBIT B  
CITY OF RAPID CITY - WATER RECLAMATION FACILITY PRETREATMENT IMPROVEMENTS  
CONSTRUCTION MANAGEMENT FEE ESTIMATE**

Total Hours      Labor Total      Expense Total

<b>Task 1 - Basic Construction Services</b>		
1.1 Project Management, Administration, and QA/QC	40	\$5,894
1.2 Pre-Construction Conference	6	\$736
1.3 Manage Requests for Information	36	\$4,568
1.4 Administer Changes in Work	50	\$5,996
1.5 Administer Shop Drawing and Other Submittal Requirements	276	\$35,392
1.6 Prepare "As-Recorded" Plans and Specification	30	\$3,496

\$200
\$0
\$0
\$0
\$50
\$20

**Task 1 Subtotal      438      \$56,082      \$270**

<b>Task 2 - Expanded Construction Services</b>		
2.1 Arrange and Conduct Bi-Weekly Progress Meetings	34	\$3,316
2.2 Review, Approve, and Monitor Contractor's Detailed Construction Schedule	12	\$1,224
2.3 Attend Pre-Installation Conferences	4	\$408
2.4 On-Site Observation	576	\$63,512
2.5 Record Observed Construction Activities	18	\$1,760
2.6 Monitor Contractor's Compliance with Regulatory and Permit Requirements	16	\$1,632
2.7 Provide Assurance Testing and Observe Contractor Testing	16	\$1,632
2.8 Monitor Site Conditions and Contractor's Maintenance of Facilities	8	\$816
2.9 Review and Monitor Stored Materials	4	\$408
2.10 Review Salvaged Materials	4	\$408
2.11 Take Photos to Document Construction Progress or Deficiencies	24	\$2,144
2.12 Review Contractor's As-Recorded Drawings	8	\$816
2.13 Administer Contractor Payment Applications	34	\$3,316
2.14 Complete Project Close-Out	24	\$2,448

\$20
\$0
\$0
\$6,550
\$0
\$0
\$0
\$0
\$0
\$0
\$0
\$0
\$0
\$0

**Task 2 Subtotal      782      \$83,840      \$6,570**

**TOTAL      1220      \$ 139,922      \$6,840**

<b>LABOR TOTAL</b>	<b>\$139,922</b>
<b>TOTAL EXPENSES</b>	<b>\$6,840</b>
<b>TERRACON GEOTECHNICAL/TESTING SUBCONSULTANT</b>	<b>\$1,856</b>
<b>TOTAL NOT TO EXCEED FEE</b>	<b><u>\$148,618</u></b>

EXHIBIT C  
SCHEDULE OF PAY RATES

HDR ENGINEERING, INC.

FEE SCHEDULE

WATER RECLAMATION FACILITY PRETREATMENT IMPROVEMENTS  
PROJECT NO. WRF11-1928 CIP 50855  
Construction Management

City of Rapid City, South Dakota

The following fee schedule is the 2012 Billable Rate Fee Schedule for HDR Engineering, Inc. This fee schedule and the hourly rates shown apply to the above referenced project. In instances where a discipline not listed below is required for the project, the billing rate will be submitted to the City.

<u>DISCIPLINE</u>	<u>BILLING RATE/HR</u>
Project Principal	\$200.00
Project Manager	\$164.00
Senior Project Engineer	\$164.00
Project Engineer/Construction Observer	\$102.00
Architect	\$154.00
Structural Engineer	\$164.00
Mechanical Engineer	\$164.00
Electrical Engineer	\$164.00
Instrumentation Engineer	\$164.00
CADD	\$ 99.00
Senior Technical - QA/QC	\$195.00
Accounting / Admin	\$ 64.00
 <u>DIRECT EXPENSES</u>	
Vehicle Mileage	\$ 0.555/Mile

OTHER REIMBURSABLE EXPENSES

Reimbursable expenses shall mean the actual expenses incurred directly or indirectly in connection with the project for transportation travel, subconsultants, printing, telephone, fax, shipping and express, and other incurred expenses.