

**RENNER ENGINEERING COMPANY**

616 Sixth Street, Rapid City, South Dakota 57701 - 605-721-7310  
 605-721-7313 fax 605-381-2808 cell Gary@RennerAssoc.Com  
 Spearfish Office 605-717-0016

Mr. Keith Johnson  
 Engineering Division  
 City of Rapid City  
 300 Sixth Street  
 Rapid City, SD 57701

September 8, 2004

RE: Eleventh Street Sanitary sewer Reconstruction Project SS04-1421

Dear Keith:

This letter is to provide you with a proposal for engineering and surveying services for the above referenced project in accordance with your scope of work dated August 23, 2004 and our meeting on September 3, 2004.

**1.1 Site Survey**

Research - 3 hrs @ \$ 50 =	\$ 150.00
Boundary Survey - 7.3 hrs @ \$ 100 =	\$ 730.00
Calculations - 4 hrs @ \$ 50 =	\$ 200.00
Topographic Survey - 8 hrs @ \$ 100 =	\$ 800.00
Calculations - 3 hrs @ \$ 50 =	\$ 150.00
Drafting - 8 hrs @ \$ 36 =	\$ 288.00
Project management - 1.5 hrs @ \$75 =	\$ 112.50
Project management - 2 hrs @ \$ 50 =	\$ 100.00
Misc - prints, secretarial	\$ 75.00

Total Survey 2605.50

**1.2 Perform preliminary horizontal and vertical alignment analysis**

Drafting - 8 hrs @ \$ 36 =	\$ 288.00
Engineering - 8 hrs @ \$ 75 =	\$ 600.00

Total Preliminary Engineering \$ 888.00

**1.3 Prepare preliminary opinion of probable construction cost.**

4 hrs @ \$ 75 =	\$ 300.00
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**2.1 Provide complete plans and specifications**

Engineering - 32 hrs @ \$ 75 =	\$ 2400.00
Drafting - 30 hrs @ \$ 36 =	\$ 1080.00

Total \$ 3480.00

**2.5 Provide project sequence to limit sewer interruption**

Engineer - 4 hrs @ \$ 75 =	\$ 300.00
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**2.6 Provide detailed supplemental specifications**

Engineer - 8 hrs @ \$ 75 =	\$ 600.00
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**2.7 Provide traffic control plan - NA****2.8 Provide engineer's construction cost estimate**

1.5 hrs @ \$ 75 =	\$ 112.50
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Civil Engineering - Commercial and Residential Site Design - Municipal Engineering  
 Street Design - Utility Design - Drainage Design & Flood Certificates  
 Track & Field Design

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3.2 Issue addenda - 4 hrs @ \$ 75 =	\$ 300.00
4.1 Attend preconstruction conference - 2 hrs @ \$75 =	\$ 150.00
5.2 Attend the following meetings:	
Kick-off meeting - 2 hrs @ \$ 75 =	\$ 150.00
35% Plans & Specifications review - 2 hrs @ \$75 =	\$ 150.00
95% Plans & Specifications review - 2 hrs @ \$ 75 =	\$ 150.00
Prebid conference - 2 hrs @ \$ 75 =	\$ 150.00

**TOTAL ESTIMATED SURVEY/DESIGN FEE = \$ 9,336.00**

My original fee estimate was \$ 13,724.00. This is a very high survey/design fee per foot of sewer due to the small size of the project. We could probably survey and design twice as much sewer for approximately the same cost. I revised this estimate using your suggested time for each item (except for the survey), which brought the fee down to \$ 9,336.00. I understand that your maximum fee for this project is \$8,000.00. Since this is the first design project I can remember doing for the City in the last 15 years, I will agree to survey and design this project for \$ 8,000.00. We will see how I come out, and then I will know better next time.

**TOTAL SURVEY/DESIGN FEE = \$ 8,000.00**

## **AGREED AND ACCEPTED**

**City of Rapid City**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
          Mayor

By: \_\_\_\_\_ Date: \_\_\_\_\_  
          Finance Officer

**Renner Engineering Company**

By: Gary Renner Date: 9/8/04

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