

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

PW022409-09

Date: March 2, 2009

Project Name & Number: Utility Rate Study
PW08-1715

CIP #: 50722

Project Description: Conduct water and sewer utility rate study and develop ordinances as necessary.

Consultant: Advanced Engineering and Environmental Services, Inc.

Original Contract Amount: \$166,333.00 Original Contract Date: May 19, 2008 Original Completion Date: October 6, 2008

Amendment Number: 1


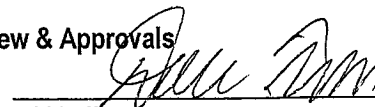

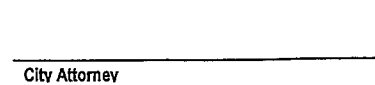
Amendment Description: Provide support, as necessary, to the City's Financial Advisor who is developing the funding package for the City's water and sewer treatment facility capital improvements.

Current Contract Amount: \$166,333.00 Current Completion Date: _____
 Change Requested: \$20,000.00
 New Contract Amount: \$186,333.00 New Completion Date: As Needed

Funding Source This Request:

Amount	Dept	Line Item	Fund	Comments
\$2,000.00	833	4223	604	Water Reclamation Enterprise Fund
\$18,000.00	933	4223	602	Water Enterprise Fund
\$20,000.00	Total			

Agreement Review & Approvals

 Project Manager	2-17-09 Date	 Division Manager	2-17-09 Date
 Department Director	2-17-09 Date	 City Attorney	2-17-09 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	Initials	Approved
Appropriation			Y N
Cash-Flow			Y N

AMENDMENT NO. 1

PW022409-09

TO
AGREEMENT BETWEEN OWNER AND ENGINEER FOR
STUDY AND REPORT PHASE PROFESSIONAL SERVICES
DATED
May 19, 2008

This Amendment No. 1 is effective as of February 17, 2009 ("Effective Date") between City of Rapid City, 300 Sixth Street, Rapid City, SD 57701 ("OWNER") and Advanced Engineering and Environmental Services, Inc., 2016 Washington Street South, Grand Forks, ND 58201 ("ENGINEER"). The document amends the Agreement Between Owner and Engineer for Study and Report Phase Professional Services (the Agreement) dated May 19, 2008 for:

Utility Rate Study (Project).

All provisions not amended remain in full effect.

OWNER and ENGINEER, in consideration of their mutual covenants as set forth herein, agree to amend the following portions of the Agreement:

1. ARTICLE 4--PAYMENTS TO ENGINEER as follows:
 - a. Modify 4.01 as follows:

4.01 Methods of Payment for Services of ENGINEER.

A. OWNER shall pay ENGINEER for services rendered under this Agreement as follows:

1. An amount equal to the cumulative hours charged to the Assignment by each class of ENGINEER's employees times Standard Hourly Rates for each applicable billing class for all services performed on the Assignment, plus Reimbursable Expenses, and ENGINEER's consultants, if any. The total compensation under paragraph 4.01.A.1 is not to exceed \$186,333.00 without written authorization. **This includes a budget amendment of \$20,000 for services associated with Capital Finance Support, which has an indefinite scope which will be dictated by OWNER requests for services. In the event that services requested by OWNER exceed the available budget, the budget will be further amended by the OWNER or ENGINEER's services will be discontinued.**

2. ENGINEER's Reimbursable Expenses Schedule and Standard Hourly Rate Schedule are attached to this Agreement as Exhibits SR-C and SR-D, respectively.

3. The amounts billed for ENGINEER's services will be based on the cumulative hours charged to the Assignment during the billing period by each class of ENGINEER's employees times Standard Hourly Rates for each applicable billing class, plus Reimbursable Expenses and ENGINEER's Consultants' charges, if any, incurred during the billing period. A summary of services provided will be submitted with each invoice for each billing period along with a calculation of fees remaining for continued services.

2. Exhibits SR-C and SR-D:
 - a. Current schedules of Reimbursable Expenses and Standard Hourly Rates are attached to this Agreement as Exhibits SR-C and SR-D, respectively.
3. Exhibit SR-A:
 - a. Add Task 6 as follows:

Task 6: Capital Finance Consultation Services. The specific scope of these services is indefinite and will be dictated by OWNER requests for services. The types of services anticipated are presented below.

A. General Services

1. Advise the OWNER as to the necessity of the OWNER providing data or services, which are not part of ENGINEER's services, and assist the OWNER in obtaining such data and services.
2. Perform general project management and administration activities required for ENGINEER to provide services requested by the OWNER.
3. Identify, consult with, and analyze requirements of governmental authorities having jurisdiction relevant to the Project.

B. Consultation Services

1. Provide communication and coordination as required for ENGINEER to complete services requested by the OWNER.
2. Participate in conference calls and meetings as requested by the OWNER.
3. Review documentation provided by the OWNER as appropriate to complete requested services.
4. Provide evaluation of the water rate model as backup support to services to be provided to the OWNER by the Financial Advisor. Items include, but are not limited to:
 - a. Attend Project and Finance Team meetings via teleconference as requested by the OWNER.
 - b. Perform financial (user rate) impact analyses, as requested by the OWNER, to assist in evaluating potential funding packages for the Jackson Springs and Mountain View Water Treatment Facilities.
 - c. Attend meetings in Rapid City to participate in evaluation of the funding options and the potential impact to utility rates.
5. Provide consulting services not explicitly described herein, as requested by the OWNER.

C. Completion of Services

1. Consulting services are anticipated to be provided on an as needed basis and as requested by the OWNER as final recommendations for the funding for the Jackson Springs and Mountain View Water Treatment Facilities are developed; therefore, the preparation of a defined schedule and period for the completion of services is not required under this Amendment. As consulting services are requested of ENGINEER by the OWNER, the OWNER and ENGINEER shall negotiate and agree upon the timeline for the completion of consulting services based on the identified scope of work to be completed.

4. **B.6.01.B Standard Terms and Conditions**

a. Revise as follows:

6. **LIMIT OF LIABILITY**

TO THE FULLEST EXTENT PERMITTED BY LAW, THE TOTAL LIABILITY, IN THE AGGREGATE, OF ENGINEER AND ENGINEER'S OFFICERS, DIRECTORS, PARTNERS, EMPLOYEES, AGENTS, AND CONSULTANTS, OR ANY OF THEM TO OWNER AND ANYONE CLAIMING BY, THROUGH, OR UNDER OWNER, FOR ANY AND ALL INJURIES, LOSSES, DAMAGES AND EXPENSES, WHATSOEVER ARISING OUT OF, RESULTING FROM, OR IN ANY WAY RELATED TO THIS AGREEMENT FROM ANY CAUSE OR CAUSES INCLUDING BUT NOT LIMITED TO THE NEGLIGENCE, PROFESSIONAL ERRORS OR OMISSIONS, STRICT LIABILITY OR BREACH OF CONTRACT OR WARRANTY, EXPRESS OR IMPLIED, OF ENGINEER OR ENGINEER'S OFFICERS, DIRECTORS, PARTNERS, EMPLOYEES, AGENTS, AND CONSULTANTS, OR ANY OF THEM, SHALL NOT EXCEED THE TOTAL AMOUNT OF **\$186,333.00.**

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 1, the Effective Date of which is indicated on page 1.

OWNER:

Alan Hanks, Mayor

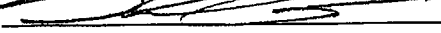
By: _____

Title: Mayor

Date Signed: _____

ENGINEER:

Shawn Gaddie, PE (AE2S)

By:  _____

Title: Operations Manager

Date Signed: 2/17/09

ATTEST: _____

Name: Jim Preston

Title: Finance Officer

ATTEST: Nicole M. Cox

Name: Nicole M. Cox

Title: 2/17/09

Address for giving notices:

City of Rapid City

300 Sixth Street

Rapid City, SD 57701

Address for giving notices:

Advanced Engineering and Environmental Services, Inc.

2016 South Washington Street

Grand Forks, ND 58201

Designated Representative (paragraph 6.02.A):

Dan Coon, P.E.

Title: Project Manager

Phone Number: (605) 394-4154

Facsimile Number: (605) 394-6636

E-Mail Address: dan.coon@rcgov.org

Designated Representative (paragraph 6.02.A):

Nicole Cox

Title: Financial Analyst

Phone Number: (701) 746-8087

Facsimile Number: (701) 746-0370

E-Mail Address: Nicole.Cox@ae2s.com

This is **EXHIBIT SR-C**, consisting of 1 page, referred to in and part of the Agreement between **OWNER and ENGINEER for Study and Report Phase Professional Services** dated May 19, 2008 amended February 17, 2009.

2009 Reimbursable Expenses Schedule

Reimbursable Expenses are subject to annual review and adjustment. Reimbursable expense rates in effect on the Effective Date of the Agreement are:

Reimbursable Expenses Rates

Transportation	\$0.60/mile
Survey Vehicle	\$0.65/mile
Photocopies	\$0.10/copy
Plots – Color Bond	\$1.25/s.f.
Plots – Monochrome Bond/Vellum	\$0.75/s.f.
Plots – Film/Photo High Gloss	\$2.00/s.f.
Digital Imaging	\$10.00/day
Laser Printouts	\$0.20/page
Color Laser Printouts/Copies	\$0.68/page
Fax	\$0.40/page
Projector	\$25.00/hour
Total Station	\$10.00/hour
Total Station – Robotic	\$35.00/hour
Pro-XR GPS	\$15.00/hour
Fast Static/RTK GPS	\$50.00/hour
All Terrain Vehicle/Boat	\$100.00/day
Hydrant Pressure Recorders	\$10.00/day
Telemetry Radio	\$50.00/site
Pressure Recorder	\$5.00/day
Outside Services*	cost *1.15
Out of Pocket Expenses**	cost*1.15
Rental Car	cost*1.20

* Includes laboratory testing, architectural and engineering consultants, surveying, etc.

** Includes toll telephone, shipping, postage, subsistence, technical literature, equipment rental, etc.

This is EXHIBIT SR-D, consisting of 1 page, referred to in and part of the Study and Report Phase Professional Services dated May 19, 2008 amended February 17, 2009.

Standard Hourly Rates Schedule

Standard Hourly Rates will be held constant for the duration of the project scope presented in Exhibit SR-A. Hourly rates for services in effect on the date of the Agreement are:

Labor Rates

Engineer I	\$88.00	IT I	\$75.00
Engineer II	\$98.00	IT II	\$95.00
Engineer III	\$115.00	IT III	\$110.00
Engineer IV	\$130.00	IT Manager	\$125.00
Engineer V	\$142.00		
Engineer VI	\$154.00	Financial Analyst I	\$75.00
Engineer VII	\$165.00	Financial Analyst II	\$90.00
Engineer VIII	\$175.00	Financial Analyst III	\$100.00
		Financial Analyst IV	\$115.00
Project Manager	\$145.00	Financial Analyst V	\$130.00
Technical Expert I	\$185.00		
Technical Expert II	\$200.00	Administrative I	\$44.00
Technical Expert III	Negotiable	Administrative II	\$55.00
		Administrative III	\$66.00
I&C Technician I	\$84.00	Administrative IV	\$76.00
I&C Technician II	\$94.00	Administrative V	\$84.00
I&C Technician III	\$105.00		
I&C Technician IV	\$115.00		
I&C Technician V	\$128.00		
I&C Technician VI	\$137.00		
Land Surveyor I	\$76.00		
Land Surveyor II	\$86.00		
Land Surveyor III	\$98.00		
Land Surveyor IV	\$109.00		
Land Surveyor V	\$121.00		
Land Surveyor VI	\$140.00		
Engineering Technician I	\$48.00		
Engineering Technician II	\$62.00		
Engineering Technician III	\$74.00		
Engineering Technician IV	\$87.00		
Engineering Technician V	\$97.00		
Engineering Technician VI	\$112.00		
Engineering Technician VII	\$130.00		
Marketing Consultant I	\$90.00		
Marketing Consultant II	\$100.00		
CPA	\$130.00		
Senior Consultant	\$145.00		