

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

Date: May 2, 2016

Project Name & Number: Southside Drive Sanitary Sewer Extension Project  
Project No. 14-2095

CIP #: 50328

Project Description: To provide construction administration services.

Consultant: HDR Engineering

Original Contract Amount: \$189,895.00

Original Contract Date: May 2, 2016

Original Completion Date: 90 Days after Construction Completion

Addendum No:

Amendment Description:

Current Contract Amount: \_\_\_\_\_  
Change Requested: \_\_\_\_\_  
New Contract Amount: \_\_\_\_\_ \$0.00

Current Completion Date: \_\_\_\_\_  
New Completion Date: \_\_\_\_\_

**Funding Source This Request:**

| Amount       | Dept. | Line Item | Fund | Comments |
|--------------|-------|-----------|------|----------|
| \$189,895.00 | 831   | 4223      | 604  |          |
|              |       |           |      |          |
|              |       |           |      |          |
|              |       |           |      |          |
|              | Total |           |      |          |

### Agreement Review & Approvals

|   |  |
|---|--|
| <p><i>Gabe Schrage for K.S.</i> Apr 14, 2016<br/>Project Manager _____ Date</p> <p><i>[Signature]</i> 4/14/16<br/>Compliance Specialist _____ Date</p> <p><i>[Signature]</i> 4/19/16<br/>City Attorney _____ Date</p> | <p><i>[Signature]</i> 4-14-16<br/>Division Manager _____ Date</p> <p><i>[Signature]</i> 4-14-16<br/>Department Director _____ Date</p> |
|---|--|

**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                                |
| 4/21/16   | [Signature] | Y <input checked="" type="checkbox"/> N |
| Cash Flow |             | Y <input type="checkbox"/> N            |

**Agreement Between City of Rapid City and HDR Engineering for Construction  
Professional Services for Southside Drive Sanitary Sewer Extension Project  
Project No. 14-2095**

AGREEMENT made May 2, 2016, 20\_\_\_\_, between the City of Rapid City, SD (City) and **HDR Engineering**, (Engineer), located at 703 Main Street Suite 200. Rapid City, SD, 57701. City intends to obtain construction administration services for the sanitary sewer extension project on the southeast side of Rapid City. The scope of services is as described within this document and as further described in Exhibits A, B, and C (attached).

The City and the Engineer agree as follows:

The Engineer shall provide professional engineering services for the City in all phases of the Project and as further defined in Exhibits A, B, and C (attached), 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.



- 1.1.4 The contract will be based on an hourly rate and reimbursable fee schedule with a maximum not-to-exceed amount.

## 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 Exhibit A.)

## 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 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 sub-contractors and sub-consultants, 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 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 Non Discrimination 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 and reimbursable rate schedule described in Exhibit C.

### **5.2 Fee**

The maximum amount of the fee for the services as detailed in Section 1.2 shall not exceed \$189,895.00 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 observation/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 markup sub-consultant or sub-contractor 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 per the hourly rates and allowable reimbursable as 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 is complete based on an award date of May 2, 2016.

## **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, of not less than \$1,000,000 each occurrence and not less than \$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

\_\_\_\_\_  
HDR Engineering

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

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

ATTEST:

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

**Reviewed By:**

*Klare Schroeder for K.S.*

\_\_\_\_\_  
KLARE SCHROEDER, PROJECT MANAGER

DATE: April 14, 2016

CITY'S DESIGNATED PROJECT  
REPRESENTATIVE

ENGINEERING FIRM'S DESIGNATED  
PROJECT REPRESENTATIVE

NAME Klare Schroeder  
PHONE 605-394-4154  
EMAIL klare.schroeder@rcgov.org

Chris Bailey  
(605) 791-6100  
christopher.bailey@hdrinc.com



SOUTHSIDE DRIVE SANITARY  
SEWER EXTENSION PROJECT  
PROJECT NO. 14-2095

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EXHIBIT A

The City has determined the need to procure construction related services for the Southside Drive Sanitary Sewer Project. HDR Engineering was previously selected by the City of Rapid City to complete design services for the sanitary sewer extension project on the southeast side of Rapid City.

The Scope of Work Tasks 4 through 5 presented in this exhibit are "Standard" Construction Related Services tasks, requested by the City. Tasks 1 through 3 are "Standard" design tasks and are being completed by the Engineer under the original agreement.

**TASK 4 – BASIC CONSTRUCTION SERVICES**

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

- ~~4.1 Review construction contract documents and submit to City of Rapid City project manager for distribution to City Attorney for approval and signatures of the Mayor and Finance Officer.~~
- 4.2 Arrange and conduct a Pre-Construction Conference including agenda. Record minutes and distribute to all attendees.
- 4.3 Provide written clarification regarding drawing and specification questions.
- 4.4 Provide recommendations to address changed or unknown conditions that may appear during construction.
- 4.5 Review and take action on shop drawings, product submittals, test results, and other submittals. Maintain a shop drawing log to record when the shop drawing are received, subject, responsible reviewers, action taken, and when the shop drawing was returned to the contractor.
- 4.6 Prepare "As-Built" plans and specifications. "As-Built" plans and specifications shall be submitted as a hard copy and on CD compatible with AutoCAD Release 2008 or newer format. Submit to Engineering Services within 30 days of project completion.

**TASK 5 – EXPANDED CONSTRUCTION SERVICES**

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

- 5.1 Review contractor removal limits of appropriate items.
- 5.2 Review Public Service Announcements (P.S.A.'s) submitted by contractor for Engineering Services. Engineering Services will be responsible for distribution to all local media. Copies of P.S.A.'s shall be distributed one week prior to start of work or change in operations that may significantly affect the public.
- 5.3 Coordinate with the contractor to appropriately notify affected Property Owners, Green Valley & Rapid Valley Sanitation district staff, and Pennington County staff in order to

SOUTHSIDE DRIVE SANITARY  
SEWER EXTENSION PROJECT  
PROJECT NO. 14-2095

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- keep the project moving and continue the successful working relationship established during the design phase.
- 5.4 Arrange and conduct appropriate progress meetings to discuss upcoming activities, construction issues, review construction schedule, public impacts, and coordination with private utilities. Specific coordination and requirements for individual landowners for the next week of work will also be discussed. It is anticipated that HDR will attend one meeting per week and prepare meeting agendas & minutes.
  - 5.5 Provide daily on-site observation to assure that the methods and materials used by the contractor meet the intent of the plans and specifications and that accurate quantity and as built information is being recorded. For buried installations such as for sewer mains and storm sewer HDR will be on site all of the time the Contractor is installing these buried installations. Based on the current plans HDR estimates a 30 week construction schedule with 22 weeks of full time inspection.
  - 5.6 Prepare daily reports. A daily 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. Such information shall be neatly and concisely entered into the City of Rapid City Project Inspector's Diary and Inspection quantity book. Submit detachable copies to Engineering Services on a weekly basis.
  - 5.7 Perform stormwater inspections, prepare reports, and keep the erosion and sediment control plans current as required by the ordinance regulating construction site runoff control, Chapter 8.46, and the Stormwater Quality Manual.
  - 5.8 Provide field density testing as outlined in the Standard Specifications. All test results shall be submitted to the City of Rapid City within 30 days of project completion. HDR will use subconsultant American Engineering Testing, Inc. (AET) to complete the required compaction testing.
  - 5.9 Provide assurance testing (or witness Contractor testing) according to the Standard Specifications. All test results shall be submitted to the City of Rapid City within 30 days of project completion. HDR will use subconsultant American Engineering Testing, Inc. (AET) as needed to complete the required assurance testing.
  - 5.10 Prepare and submit monthly pay request information.
  - 5.11 Prepare change orders, and extra work orders for contractor on City of Rapid City forms and make recommendations for their approval or denial.
  - 5.12 Prepare and submit project completion punch list items to the Contractor and Engineering Services and oversee its completion.
  - 5.13 Prepare and submit City of Rapid City project "Construction Project Close-out Checklist" indicating compliance with Standard Specifications and acceptance of the various infrastructure components. HDR will coordinate completion of the checklist items with the Contractor.
  - 5.15 Verify letter is sent to SDDENR notifying them of project completion.
  - 5.16 Ensure Contractor's two-year warranty surety is provided to the City of Rapid City either within the performance bond or as a separate bond.



AMERICAN  
ENGINEERING  
TESTING, INC.

CONSULTANTS  
· ENVIRONMENTAL  
· GEOTECHNICAL  
· MATERIALS  
· FORENSICS

March 29, 2016

Mr. Chris Bailey, PE  
HDR Engineering, Inc.  
703 Main Street, Suite 200  
Rapid City, South Dakota 57701

Subject: Cost Proposal –Testing and Observation Services  
Southside Drive Sanitary Sewer Extension  
City of Rapid City Project No. 14-2095/CIP #50328  
Rapid City, South Dakota

Dear Chris,

## INTRODUCTION

American Engineering Testing Inc. (AET) is pleased to provide this proposal for the testing services for the Southside Drive Sanitary Sewer Extension project. It is our understanding that the Engineer-of-Record (HDR) will employ the testing agency for the project and that City of Rapid City Standard specifications will be used on the project.

## SCOPE OF WORK

Based on the information provided, we understand testing services will be required during subgrade preparation and utility construction along Southside Drive beginning near the intersection with Felicia Street and proceeding west for a distance of approximately 4,089 lineal feet.

AET will provide a field technician on a part-time basis to provide the necessary field and laboratory testing services. In addition, a Geotechnical Engineer will be available for consultation and observations and will administer the testing for the project.

## FEES

The following provides an estimate of the services and fees as we understand the project at this time and is based on the City of Rapid City Specifications for testing frequencies. We have tried to be as realistic as possible in estimating testing quantities and time required. Quantities may change considerably due to circumstances beyond our control such as weather, slower utility placement than anticipated, unforeseen soil/groundwater conditions, or additional testing required or requested by the Engineer and/or City of Rapid City.

1745 Samco Road | Rapid City, SD 57702

Phone (605) 388-0029 | Toll Free (800) 972-6364 | Fax (605) 388-0064 | [www.amengttest.com](http://www.amengttest.com) | AA/EEO  
This document shall not be reproduced, except in full, without written approval from American Engineering Testing, Inc.

**EXHIBIT B**

**CITY OF RAPID CITY - SOUTH SIDE SEWER EXTENSION PROJECT  
TASKS 4 & 5 CONSTRUCTION SERVICES**

|   | Total Hours | Total Labor      | Total Expenses |
|---|-------------|------------------|----------------|
| <b>Task 4 - Basic Construction Services</b>                           |             |                  |                |
| 4.1 Review Contract Documents   | 0           | \$0              | \$0            |
| 4.2 Conduct Pre-Construction Conference/Distribute Minutes            | 12          | \$1,530          | \$0            |
| 4.3 Provide Clarification Regarding Plans and Specifications          | 18          | \$2,380          | \$0            |
| 4.4 Provide Recommendations to address changed/unknown conditions     | 18          | \$2,340          | \$0            |
| 4.5 Review/take action on shop drawings, test reports, and submittals | 36          | \$4,700          | \$200          |
| 4.7 Prepare As-Built Plans  | 34          | \$4,140          | \$0            |
| <b>Task 4 Subtotal</b>  | <b>118</b>  | <b>\$ 15,090</b> | <b>\$ 200</b>  |

|  |             |                   |                 |
|--|-------------|-------------------|-----------------|
| <b>Task 5 - Expanded Construction Services</b>                                 |             |                   |                 |
| 5.1 Review Contractor Removal Limits   | 8           | \$720             | \$0             |
| 5.2 Review PSA and Provide Draft to Engineering for Distribution               | 24          | \$2,720           | \$0             |
| 5.3 Property Owner, Green Valley, Rapid Valley, Pennington County Coordination | 72          | \$9,120           | \$0             |
| 5.4 Conduct Progress Meetings/ Distribute Minutes                              | 66          | \$8,220           | \$150           |
| 5.5 Provide Daily On-Site Observation  | 862         | \$104,140         | \$2,750         |
| 5.6 Prepare Daily Reports  | 64          | \$8,280           | \$100           |
| 5.7 Perform SWPPP Inspections  | 44          | \$4,860           | \$0             |
| 5.8 Coordinate Geotechnical Field Testing                                      | 48          | \$6,120           | \$0             |
| 5.9 Review Contractor Assurance Testing  | 34          | \$4,660           | \$0             |
| 5.10 Prepare Quantities for Monthly Pay Requests                               | 32          | \$4,200           | \$0             |
| 5.11 Prepare Change Orders and provide recommendation to City                  | 42          | \$5,500           | \$0             |
| 5.12 Preparation of Project Completion Punch List                              | 10          | \$1,160           | \$0             |
| 5.13 Prepare "Construction Project Close-out Checklist"                        | 4           | \$510             | \$0             |
| 5.15 Prepare NOT for SDDENR  | 2           | \$240             | \$0             |
| 5.16 Ensure 2-Year Surety is Provided to City                                  | 1           | \$135             | \$0             |
| <b>Task 5 Subtotal</b>   | <b>1313</b> | <b>\$ 160,585</b> | <b>\$ 3,000</b> |
| <b>TOTAL</b>   | <b>1431</b> | <b>\$ 175,675</b> | <b>\$ 3,200</b> |

**TOTAL LABOR \$175,675**  
**TOTAL EXPENSES \$3,200**  
**Subconsultant \$11,020**  
**Total Task 4 & 5 Fee \$189,895**

**Exhibit C**  
**HDR Engineering**  
**2016 Hourly Billing Rates**

BASIC AND EXPANDED CONSTRUCTION SERVICES  
FOR SOUTH SIDE DRIVE SANITARY SEWER EXTENSION

Project No. 14-2095 / CIP No. 50328

City of Rapid City, South Dakota

Enclosed are the 2016 Hourly Billable Rates for HDR Engineering. These billing rates shall be adjusted annually to reflect any salary adjustments incurred by employees. The rates listed below do not include Reimbursable Expenses or hourly billing rates for equipment as defined below.

| <u>Description</u>          | <u>Billing Rate/Hour</u> |
|-----------------------------|--------------------------|
| Managing Principal          | \$210                    |
| Senior Project Manager      | \$195                    |
| Project Manager             | \$170                    |
| ASME Disciplines            | \$175                    |
| Engineer V                  | \$170                    |
| Engineer IV                 | \$155                    |
| Engineer III                | \$135                    |
| Engineer II                 | \$120                    |
| Engineer I                  | \$105                    |
| Engineering Technician III  | \$115                    |
| Engineering Technician II   | \$100                    |
| Engineering Technician I    | \$90                     |
| Cadd/GIS Technician IV      | \$130                    |
| Cadd/GIS Technician III     | \$110                    |
| Cadd/GIS Technician II      | \$100                    |
| Cadd/GIS Technician I       | \$90                     |
| Right of Way III            | \$170                    |
| Right of Way II             | \$155                    |
| Right of Way I              | \$130                    |
| Environmental Scientist V   | \$170                    |
| Environmental Scientist IV  | \$155                    |
| Environmental Scientist III | \$135                    |
| Environmental Scientist II  | \$120                    |
| Environmental Scientist I   | \$105                    |
| Senior Land Surveyor        | \$145                    |
| Land Surveyor               | \$130                    |
| Survey Technician III       | \$110                    |
| Survey Technician II        | \$100                    |
| Survey Technician I         | \$90                     |
| Senior Construction Manager | \$170                    |
| Construction Manager        | \$140                    |
| Construction Engineer       | \$120                    |
| Construction Field Rep      | \$90                     |
| Public Involvement III      | \$140                    |
| Public Involvement II       | \$110                    |
| Public Involvement I        | \$90                     |
| Accountant                  | \$100                    |
| Graphic Designer            | \$90                     |
| Admin Assistant             | \$70                     |

HDR has technical experts in various geographic locations that may be utilized based on specific project need. This specialized expertise is not subject to the above rates and associated billing rates are to be determined at the time of contract negotiation.

**Direct Expenses**

|                              |                 |
|------------------------------|-----------------|
| Mileage                      | \$0.75 per mile |
| Copies:                      |                 |
| 24" x 36" Mylar              | \$15.00 each    |
| Plots Bond                   | \$8.00 each     |
| Plain Paper Copies           | \$0.15 each     |
| Plain Paper Copies 11" x 17" | \$0.25 each     |
| Color 11" x 17" Copies       | \$1.25 each     |

**OTHER REIMBURSABLE EXPENSES**

Reimbursable Expense shall mean the actual expenses incurred directly or indirectly in connection with the Project for transportation travel, subconsultants, subcontractors, computer usage, telephone, telex, shipping and express, and other incurred expense.



Cost Proposal – Testing and Observation Services  
Southside Drive Sanitary Sewer Extension Project  
Rapid City, South Dakota  
March 29, 2016

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TESTING, INC.

Actual quantities may differ from the below estimates. You will be invoiced only for the work actually performed. If you (the client) or your representative requests AET to spend additional time beyond the total estimated amount, the total estimated amount is changed accordingly and you will be invoiced for all additional services in accordance with the below unit charges for this particular project.

| Item / Description                          | Unit Rate     | Estimated Quantity | Total              |
|---|---------------|--------------------|--------------------|
| <b>Soils/Aggregate</b>                      |               |                    |                    |
| Field nuclear density-compaction testing    | \$65.00/hour  | 120                | \$ 7,800.00        |
| Excavation Observation                      | \$150.00/hour | 8                  | \$ 1,200.00        |
| Report Review/Meetings                      | \$100.00/hour | 8                  | \$ 800.00          |
| Clerical/Dispatch                           | \$45.00/hour  | 10                 | \$ 450.00          |
| Mileage                                     | \$0.70/mile   | 1,100              | \$ 770.00          |
| <b>Total Estimate (plus applicable tax)</b> |               |                    | <b>\$11,020.00</b> |

#### TERMS AND CONDITIONS

All AET services will be provided subject to the terms and conditions as set forth in HDR's typical Agreement for Professional Services.

#### ACCEPTANCE

AET requests written acceptance of this proposal in the Proposal Acceptance box below and returning a copy to us. When you accept this proposal, you represent that you are authorized to accept on behalf of the Owner and/or Client.

#### CLOSING

Thank you for the opportunity for American Engineering Testing, Inc. to provide this proposal for the testing services for this project. If you have any questions please call our office at (605) 388-0029.

Sincerely,



Walt Feeger, PE  
Senior Geotechnical Engineer

Cost Proposal – Testing and Observation Services  
Southside Drive Sanitary Sewer Extension Project  
Rapid City, South Dakota  
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**ACCEPTANCE**

SIGNATURE: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

COMPANY: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

PHONE NUMBER/E-MAIL ADDRESS: \_\_\_\_\_

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