



## LETTER AGREEMENT FOR PROFESSIONAL SERVICES

April 22, 2026

Kyle Blubaugh  
City of Arkansas City  
2929 N. Second St  
Arkansas City, KS 67005

Re: Professional Engineering Services for Source & Supply Study

Dear Mr. Blubaugh,

We are pleased to submit our letter agreement for engineering Services on the referenced Project as follows. If acceptable, please sign where indicated and return a fully executed copy to the undersigned. Any changes you make are subject to our acceptance in writing. For purposes of this Agreement, City of Arkansas City is hereafter referred to as the CLIENT and Burns & McDonnell Engineering Company, Inc. is hereafter referred to as the CONSULTANT.

### PROJECT:

CLIENT requests CONSULTANT to provide Services as set out in this Letter Agreement on the following Project.

- A. Evaluate the existing raw water supply and provide recommendations for modifications to increase water supply capacity to address City's increased demands and potential growth.

### SCOPE OF SERVICES:

The Services to be provided by CONSULTANT for CLIENT are as follows:

- A. Project Management:
  1. Provide communication between the CLIENT and project team throughout the project via bi-weekly conference calls or in person meetings.
  2. Conduct quality control throughout the duration of the project.
  3. Provide regular communications on schedule, resource allocations, and budget.
  4. Facilitate monthly coordination meetings throughout the duration of the project and provide a record of meeting agendas, meetings attendees, and meeting minutes.
- B. Evaluation of Existing Wellfield Operations Data
  1. Review CLIENT provided data on existing wellfield performance metrics such as well production rates, net wellfield production capacity, static water levels, specific capacity, pumping water levels, and pressures.
  2. Develop a table of individual well performance metrics for baseline comparison against historic net wellfield yield capacity trends.
- C. Evaluation of Wellfield Raw Water Collection and Transmission Piping
  1. Conduct measurement and documentation of wellfield pipeline operating conditions number and identity of wells in operation, individual well flow, total wellfield flow, pressures at each wellhead, and pressures where available along the raw water transmission pipeline.
  2. Evaluate hydraulics of existing raw water pipeline and identify potential restrictions.
  3. If hydraulic issues are identified, provide recommendations on next steps.
- D. Evaluation of Potential New Wells
  1. Review KDHE minimum design criteria for new sources of supply and DWR well spacing requirements and select locations for test drilling.

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2. Provide the CLIENT with a sample scope for CLIENT to contract with Test Driller for drilling of up to (3) test wells.
3. Observe test drilling activities by CLIENT's Contractor:
  - a. Provide observation of test drilling, monitoring well construction, and well development, and production activities.
  - b. Collection of lithologic samples at a minimum interval of five feet and development of a lithologic log.
4. Water Quality Sampling
  - a. Collect one (1) water quality sample from the new monitoring well upon completion of well development and submit samples to be analyzed for the analytes in KDHE "Appendix B Water Quality Testing For New Public Water Supply Sources"
  - b. Collect one (1) water quality sample from monitoring well and submit samples to a laboratory certified by KDHE to be analyzed for per and polyfluoroalkyl substances (PFAS) in accordance with Environmental Protection Agency methods 533 and 537.1.
  - c. Collect one (1) water quality sample from the new monitoring well for Ammonia, and Total Organic Carbon (TOC).
5. Evaluate data gathered from test drilling for impacts to preliminary municipal well design
6. Provide a technical memorandum summarizing test drilling results, monitoring well construction, preliminary well design parameters, KDHE design criteria considerations, and guidance for next steps regarding municipal well permitting and design.

**RESPONSIBILITIES OF CLIENT:**

It is our understanding CLIENT will provide the following:

- A. Assistance by placing at CONSULTANT's disposal all available information pertinent to the Scope of Services on this Project, including previous reports and any other data relative thereto. CONSULTANT shall rely on information made available by CLIENT as accurate without independent verification.

**SCHEDULE:**

- A. Time of service shall be 90 calendar days from receipt of field data from City's test well contractor.

**COMPENSATION:**

- A. Amount of Payment
  1. For Services performed, CLIENT shall pay CONSULTANT as follows:
    - a. For time spent by personnel, payment at the hourly rates indicated in the attached "Schedule of Hourly Professional Service Billing Rates" Form BMR26-6A. Such rates include overhead and profit. The rate schedule is effective to December 31, 2026, and will be increased annually thereafter.
    - b. For photocopy, telephone, fax, normal computer usage and computer-aided drafting (CAD), and mail, a technology charge per labor hour as specified on the rate schedule in effect at the time the Service is provided.



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- c. For expenses incurred by CONSULTANT, such as authorized travel and subsistence, including airfare, food, lodging, automobile rental, commercial services, and incidental expenses, the cost to CONSULTANT plus ten percent (10%).
  - d. For reproduction, company vehicle usage, and testing apparatus, amounts will be charged according to the CONSULTANT's standard rates in effect at the time the Service is provided.
  - e. For Services rendered by other firms or individuals as subcontractors to CONSULTANT, including but not limited to surveying, real property descriptions, soil borings, subsurface investigations, laboratory testing, field quality control tests, environmental data base search, photos, or other activities required or requested by CLIENT, the same will be billed at the cost to CONSULTANT plus ten percent (10%). Expenses incurred by such outside consultants in service to CLIENT shall be reimbursable in accordance with 1.c. above.
2. Taxes: Any sales or use taxes, or their equivalent, imposed by state, local or other authorities shall be in addition to the compensation stated under "Amount of Payment."
  3. Total payment for the Scope of Services described herein is not to exceed eighty-thousand Dollars (\$80,000), which amount shall not be exceeded without prior written consent of CLIENT.
  4. Statements:
    - a. Monthly statements shall be submitted by CONSULTANT to CLIENT covering Services performed and expenses incurred during preceding month.
    - b. Statements will set forth: hours worked by each person, total hours worked and total labor billing, and a summary of expenses and charges. Upon request, documentation of reimbursable expenses included in the statement will be provided.

**TERMS AND CONDITIONS:**

The attached Terms and Conditions for Professional Services is incorporated and made a part of this Agreement.

We appreciate the opportunity to present this Proposal. If it is acceptable, please sign and return one copy for our file.

Sincerely,

Dana Hinderliter  
Project Manager

Jason Garder  
Project Director

Enclosures:

Schedule of Hourly Professional Service Billing Rates  
Terms and Conditions for Professional Services



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**ACCEPTED:**

CITY OF ARKANSAS CITY

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## Schedule of Hourly Professional Service Billing Rates

Position Classification	Classification Level	Hourly Billing Rate
General Office *	5	\$83.00
Technician *	6	\$105.00
Assistant *	7	\$127.00
	8	\$176.00
	9	\$208.00
Staff *	10	\$237.00
	11	\$256.00
Senior	12	\$292.00
	13	\$316.00
Associate	14	\$324.00
	15	\$326.00
	16	\$328.00
	17	\$332.00

**NOTES:**

1. Position classifications listed above refer to the firm's internal classification system for employee compensation. For example, "Associate", "Senior", etc., refer to such positions as "Associate Engineer", "Senior Architect", etc.
2. For any nonexempt personnel in positions marked with an asterisk (\*), overtime will be billed at 1.5 times the hourly labor billing rates shown.
3. For outside expenses incurred by Burns & McDonnell, such as authorized travel and subsistence, and for services rendered by others such as subcontractors, the client shall pay the cost to Burns & McDonnell plus 10%.
4. A charge will be applied at a rate of \$9.95 per labor hour for technology usage, software, hardware, printing & reprographics, shipping and telecommunications. Specialty items are not included in the technology charge.
5. Monthly invoices will be submitted for payment covering services and expenses during the preceding month. Invoices are due upon receipt. A late payment charge of 1.5% per month will be added to all amounts not paid within 30 days of the invoice date.
6. The services of contract/agency and/or any personnel of a Burns & McDonnell parent, subsidiary, affiliate, related, or associated entity shall be billed to Owner according to the rate sheet as if such personnel is a direct employee of Burns & McDonnell.
7. The rates shown above are effective for services through December 31, 2026, and are subject to revision thereafter. The composition or build-up of the rates shown above are not subject to audit, inspection, or review.



TERMS AND CONDITIONS FOR PROFESSIONAL SERVICES

Table with 2 columns and 2 rows. Row 1: Project: Source and Supply Study | Date of Letter, Proposal, or Agreement: Row 2: Client: City of Arkansas City, Kansas | Client Signature:

1. SCOPE OF SERVICES

For the above-referenced Project, Burns & McDonnell Engineering Company, Inc. (BMcD) will perform the services set forth in the above-referenced Letter, Proposal, or Agreement, in accordance with these Terms and Conditions. BMcD has relied upon the information provided by Client in the preparation of the Proposal, and shall rely on the information provided by or through Client during the execution of this Project as complete and accurate without independent verification.

2. PAYMENTS TO BMcD

A. Compensation will be as stated in the above-referenced Letter, Proposal, or Agreement. Statements will be in BMcD's standard format and are payable upon receipt. Time is of the essence in payment of statements, and timely payment is a material part of the consideration of this Agreement. A late payment charge will be added to all amounts not paid within 30 days of statement date and shall be calculated at 1.5 percent per month from statement date. Client shall reimburse any costs incurred by BMcD in collecting any delinquent amount, including reasonable attorney's fees. If a portion of BMcD's statement is disputed, Client shall pay the undisputed portion by the due date. Client shall advise BMcD in writing of the basis for any disputed portion of any statement.

B. Taxes as may be imposed on professional consulting services by state or local authorities shall be in addition to the payment stated in the above-referenced Letter, Proposal, or Agreement.

3. INSURANCE

A. During the course of performance of its services, BMcD will maintain Worker's Compensation insurance with limits as required by statute, Employer's Liability insurance with limits of \$1,000,000, Commercial General Liability with limits of \$1,000,000 per occurrence and \$2,000,000 general aggregate, and Automobile Liability insurance with combined single limit of \$1,000,000 per accident.

B. If the Project involves on-site construction, construction contractors shall be required to provide (or Client may provide) Owner's Protective Liability Insurance naming Client as a Named Insured and BMcD as an Additional Insured or to endorse Client and BMcD using ISO forms CG 20 10 0704 & CG 20 37 0704 endorsements or their equivalents as Additional Insureds on all construction contractor's liability insurance policies covering claims for personal injuries and property damage in at least the amounts required of BMcD in 3A above. Construction contractors shall be required to provide certificates evidencing such insurance to Client and BMcD. Contractor's compensation shall include the cost of such insurance including coverage for contractual and indemnification obligations herein.

C. Client and BMcD release each other and waive all rights of subrogation against each other and their officers, directors, agents, or employees for damage covered by property insurance and self-insurance during and after the completion of BMcD's services. A provision similar to this shall be incorporated into all construction contracts entered into by Client, and all construction contractors shall be required to provide additional insured coverage and waivers of subrogation in favor of Client and BMcD for damage covered by any construction contractor's policies of insurance.

4. INDEMNIFICATION

A. To the extent allowed by law, Client will require all construction contractors to indemnify, defend, and hold harmless Client and BMcD from any and all loss where loss is caused or alleged to be caused in whole or in part by the construction contractors, their employees, agents, subcontractors or suppliers.

B. If this Project involves construction and BMcD does not provide consulting services during construction including, but not limited to, on-site monitoring, site visits, site observation, shop drawing review, and/or design clarifications, Client agrees to indemnify and hold harmless BMcD from any liability arising from this Project or Agreement, except to the extent caused by BMcD's negligence.

5. PROFESSIONAL RESPONSIBILITY- LIMITATION OF REMEDIES

A. BMcD will exercise reasonable skill, care, and diligence in the performance of its services and will carry out its responsibilities in accordance with customarily accepted professional practices. If BMcD fails to meet the foregoing standard, BMcD will perform at its own cost, the professional services necessary to correct errors and omissions reported to BMcD in writing within one year from the completion of BMcD's services for the Project. No warranty, express or implied, is included in this Agreement or regarding any drawing, specification, or other work product or instrument of service.

B. In no event will BMcD be liable for any special, indirect, or consequential damages including, without limitation, damages or losses in the nature of increased Project costs, loss of revenue or profit, lost production, claims by customers of Client, and/or governmental fines or penalties.

C. BMcD's aggregate liability for all damages connected with its services for the Project not excluded by the preceding subparagraph, whether or not covered by BMcD's insurance, will not exceed \$100,000.

D. These mutually negotiated obligations and remedies stated in this Paragraph 5, Professional Responsibility - Limitation of Remedies, are the sole and exclusive obligations of BMcD and remedies of Client, whether liability of BMcD is based on contract, warranty, strict liability, tort (including negligence), indemnity, or otherwise.

6. PERIOD OF SERVICE AND SCHEDULE

The provisions of this Agreement have been agreed to in anticipation of the orderly and continuous progress of the Project through completion of the services stated in the Proposal. BMcD's obligation to render services hereunder will extend for a period that may reasonably be required for the completion of said services. BMcD shall make reasonable efforts to comply with deliverable schedules (if any) and consistent with BMcD's professional responsibility.

7. COMPUTER PROGRAMS OR MODELS

Any use, development, modification, or integration by BMcD of computer models or programs does not constitute ownership or a license to Client to use or modify such computer models or programs.

8. ELECTRONIC MEDIA AND DATA TRANSMISSIONS

A. Any electronic media (computer disks, tapes, etc.) or data transmissions furnished (including Project Web Sites or CAD file transmissions) are for Client information and convenience only. Such media or transmissions are not to be considered part of BMcD's instruments of service. BMcD, at its option, may remove all indicia of its ownership and involvement from each electronic display.

B. BMcD shall not be liable for loss or damage directly or indirectly, arising out of Client's use of electronic media or data transmissions.

9. DOCUMENTS

A. All documents prepared by BMcD pursuant to this Agreement are instruments of service in respect of the Project specified herein. They are not intended or represented to be suitable for reuse by Client or others in extensions of the Project beyond that now contemplated or on any other Project. Any reuse, extension, or completion by Client or others without written verification, adaptation, and permission by BMcD

for the specific purpose intended will be at Client's sole risk and without liability or legal exposure to BMcD.

B. In the event that BMcD is to reuse, copy or adapt all or portions of reports, plans, or specifications prepared by others, Client represents that Client either possesses or will obtain permission and necessary rights in copyright, patents, or other proprietary rights and will be responsible for any infringement claims by others. Client warrants the completeness, accuracy, and efficacy of the information, data, and design provided by or through Client (including prepared for Client by others), for which BMcD shall rely on to perform and complete its services.

#### **10. ESTIMATES, SCHEDULES, FORECASTS, AND PROJECTIONS**

Estimates, schedules, forecasts, and projections prepared by BMcD relating to loads, interest rates and other financial analysis parameters, construction costs and schedules, operation and maintenance costs, equipment characteristics and performance, and operating results are opinions based on BMcD's experience, qualifications, and judgment as a professional. Since BMcD has no control over weather, cost and availability of labor, cost and availability of material and equipment, cost of fuel or other utilities, labor productivity, construction contractor's procedures and methods, unavoidable delays, construction contractor's methods of determining prices, economic conditions, government regulations and laws (including the interpretation thereof), competitive bidding or market conditions, and other factors affecting such estimates or projections, BMcD does not guarantee that actual rates, costs, quantities, performance, schedules, etc., will not vary significantly from estimates and projections prepared by BMcD.

#### **11. POLLUTION**

In view of the uncertainty involved in investigating and recommending solutions to environmental problems and the abnormal degree of risk of claims imposed upon BMcD in performing such services, notwithstanding the responsibility of BMcD set forth in Paragraph 5A to the maximum extent allowed by law, Client agrees to release, defend, indemnify and hold harmless BMcD and its officers, directors, employees, agents, consultants and subcontractors from all liability, claims, demands, damages, losses, and expenses including, but not limited to, claims of Client and other persons and organizations, reasonable fees and expenses of attorneys and consultants, and court costs, except where there has been a final adjudication that the damages were caused by BMcD's willful disregard of its obligations under this Agreement. Such indemnification includes claims arising out of, or in any way relating to, the actual, alleged, or threatened dispersal, escape, or release of, or failure to detect or contain, chemicals, wastes, liquids, gases, or any other material, irritant, contaminant, or pollutant.

#### **12. ON-SITE SERVICES**

A. Project site visits by BMcD during investigation, observation, construction or equipment installation, or the furnishing of Project representatives shall not make BMcD responsible for construction means, methods, techniques, sequences, or procedures; for construction safety precautions or programs; or for any construction contractor(s)' failure to perform its work in accordance with the contract documents.

B. Client shall disclose to BMcD the location and types of any known or suspected toxic, hazardous, or chemical materials or wastes existing on or near the premises upon which work is to be performed by BMcD's employees or subcontractors. If any hazardous wastes not identified by Client are discovered after a Project is undertaken, Client and BMcD agree that the scope of services, schedule, and compensation may be adjusted accordingly. Client agrees to release BMcD from all damages related to any pre-existing pollutant, contaminant, toxic, or hazardous substance at the site.

#### **13. CHANGES**

Client shall have the right to make changes within the general scope of BMcD's services, with an appropriate change in compensation and schedule, upon execution of a mutually acceptable amendment or change order signed by authorized representatives of Client and BMcD.

#### **14. TERMINATION**

Services may be terminated by Client or BMcD by seven (7) days' written notice in the event of substantial failure to perform in accordance with the terms hereof by the other party through no fault of

the terminating party. If so terminated, Client shall pay BMcD all amounts due BMcD for all services properly rendered and expenses incurred to the date of receipt of notice of termination, plus reasonable costs incurred by BMcD in terminating the services. In addition, Client may terminate the services for Client's convenience upon payment of twenty percent of the yet unearned and unpaid estimated, lump sum, or not-to-exceed fee, as applicable.

#### **15. DISPUTES, NEGOTIATIONS, MEDIATION**

A. If a dispute arises relating to the performance of the services to be provided and, should that dispute result in litigation, it is agreed that the substantially prevailing party (as determined in equity by the court) shall be entitled to recover all reasonable costs of litigation, including staff time, court costs, attorney's fees and other related expenses.

B. The parties shall participate in good faith negotiations to resolve any and all disputes. Should negotiations fail, the parties agree to submit to and participate in a third party-facilitated mediation as a condition precedent to resolution by litigation. Unless otherwise agreed to, mediation shall be conducted under the rules of the American Arbitration Association and shall be held in Wichita, Kansas.

C. The parties agree that any dispute between them, including any action against an officer, director or employee of a party, arising out of or related to this Agreement, whether in contract or tort, not resolved through direct negotiation and mediation, shall be resolved by litigation in the state or federal courts located in Jackson County, Missouri, and each party expressly consents to jurisdiction therein. Any litigation to compel or enforce, or otherwise affect the mediation shall be in state or federal courts located in Sedgwick County, Kansas, and each party expressly consents to jurisdiction therein.

D. Causes of action between the parties shall accrue, and applicable statutes of limitation shall commence to run the date BMcD's services are substantially complete.

#### **16. WITNESS FEES**

A. BMcD's employees shall not be retained as expert witnesses, except by separate written agreement.

B. Client agrees to pay BMcD pursuant to BMcD's then current schedule of hourly labor billing rates for time spent by any employee of BMcD responding to any subpoena by any party in any dispute as an occurrence witness or to assemble and produce documents resulting from BMcD's services under this Agreement.

#### **17. CONTROLLING LAW**

This Agreement shall be subject to, interpreted and enforced according to the laws of the State of Kansas without regard to any conflicts of law provisions.

#### **18. RIGHTS AND BENEFITS – NO ASSIGNMENT**

BMcD's services will be performed solely for the benefit of Client and not for the benefit of any other persons or entities. Neither Client nor BMcD shall assign or transfer interest in this Agreement without the written consent of the other.

#### **19. ENTIRE CONTRACT**

These Terms and Conditions and the above-referenced Letter, Proposal, or Agreement contain the entire agreement between BMcD and Client relative to BMcD's services for the Project herein. All previous or contemporaneous agreements, representations, promises, and conditions relating to BMcD's services for the Project are superseded. Since terms contained in purchase orders do not generally apply to professional services, in the event Client issues to BMcD a purchase order, no preprinted terms thereon shall become part of this Agreement. Said purchase order documents, whether or not signed by BMcD, shall be considered only as an internal document of Client to facilitate administrative requirements of Client's operations.

#### **20. 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 affect.

- END -