

Supplemental Letter Agreement

In accordance with the Master Agreement for Professional Services between City of Baxter (“Client”), and Short Elliott Hendrickson Inc. (“Consultant”), effective October 17, 2017, this Supplemental Letter Agreement dated September 16, 2024 authorizes and describes the scope, schedule, and payment conditions for Consultant’s work on the Project described as: **Water Supply Improvements - Wells 5 & 6.**

Client’s Authorized Representative: Trevor Walter, PE

Address: 13190 Memorywood Drive, Baxter, Minnesota 56425, United States

Telephone: 218.838.5281 **email:** twalter@baxtermn.gov

Project Manager: Kevin Young

Address: 416 South 6th Street, Suite 101, Brainerd, Minnesota 56401

Telephone: 320.229.4306 **email:** Kbyoung@sehinc.com

Scope: The Services to be provided by Consultant:

Task 1 – Permitting:

Task 1 will focus on securing the necessary permits to construct new municipal wells, generally following the New Municipal Public Water Supply Well Checklist published by the Minnesota Department of Health (MDH). During this task Consultant will be in communication with MDH and Department of Natural Resources (DNR) for permitting conditions.

- Meeting No. 1 – Project Kickoff: Prepare for and conduct a design phase kick-off meeting with Public Works staff to review investigation phase information and select design elements to be incorporated into the preliminary design.
- Develop preliminary well site location map including existing facility locations, utilities, and proximity to local features impacting public water supply well location.
- Visit well site to:
 - Verify well setback distances following MDH criteria
 - Verify location of important topographic features
- Prepare permit application and obtain Well Construction Preliminary Assessment from the DNR.
- Complete DNR new well application for modifications to the City’s water appropriations permit using the DNR MPARS system. The two (2) new wells will be requested as replacement wells to replace the capacity lost due to the declining condition of the City’s existing wells. The intent is not to request additional water appropriation for the two (2) wells. Consultant has included the \$150 permit fee in our scope.
- Confirm the DNR has the City’s approved DNR Water Supply Plan (WSP) on file. MDH or DNR will not approve the well construction without an approved WSP.
- The remainder of the permitting efforts will be completed as part of the final design. Refer to Task 2.

Deliverables:

- Well location and planning maps (well design depths, sizing, well setback verification).
- DNR Well Construction Preliminary Assessment.
- DNR MPARS permit application (electronic version in MPARS only).

Task 2: Design:

Task 2 will run in parallel with Task 1, in that the preliminary design of the well will be completed to assist with permitting efforts. Consultant proposes a two-phase design process to shorten the design timeline. The following subtasks are anticipated for Task 2:

- Survey the WTP/Public Works campus in the vicinity of the proposed well locations and along the proposed water main alignment and field verify important topographical features. This effort does not include a complete wetland delineation.

Preliminary Design (0-30%)

- Biweekly internal design meetings.
- Prepare a preliminary design for the well and supporting facilities using information gained during the 2024 Well Replacement Exploration project. Design elements include:
 - Public Water Supply well casing and screen design based on formation sampling and testing. Well depth, screen length, casing and screen diameter.
 - Well pump and motor sizing and configuration (assume submersible pump and motor)
 - Process fittings and appurtenances such as meters, isolation and check valves.
 - Well pump electrical and controls equipment. Controls integration will be provided by AE2S who will be directly contracted with the City.
 - Site grading and drainage
 - Drive and access facilities. Assumed to be a 20' wide paved pathway of well maintenance vehicles.
 - Vault or manhole enclosures to protect equipment and house flow meter and isolation valves.
- Prepare site plans based upon surveying data.
- Prepare 30% drawings and an opinion of probable cost (OPC) to use for budgetary pricing for the project.
- Meeting No. 2 – 30% Design Review: Prepare for and conduct a 30% design review meeting with Public Works staff to confirm major design elements prior to progressing to 95% design.

Final Design (30-100%)

- Biweekly internal design meetings.
- Prepare 95% final plans, specifications and OPC for the project based on input received from Client during the 30% Design Review.
- Meeting No. 3: 95% Design Review: Prepare for and conduct a 95% design review meeting with Public Works staff to receive comments prior to finalizing the documents for bidding.
- Prepare and submit drawings and specifications to MDH for review. The MDH submittal will include the following efforts necessary for permitting a new municipal well:
 - Prepare and submit the MDH Plan Review Fee Sheet, and associated fees for the well and any related components to MDH. Consultant has included \$400 in our scope to pay for the MDH plan review for watermains and wells.
 - Prepare and submit the Preliminary Wellhead Protection Area Delineation worksheet to MDH.
 - Prepare and submit documentation showing the City owns or legally controls all land within a 50 foot radius from the outside edge of the proposed well casing. Consultant will include this information on a site plan within the drawings.
 - Meet MDH representative on site to conduct a site inspection of the proposed well location, if required by MDH.
 - Meet with MDH to review the project and answer questions to aid in the plan review process.
 - Receive the written plan review approval letter for construction, which includes well site approval from MDH.

Deliverables:

- Meeting agendas and minutes in electronic format.
- 30% drawings and OPC in electronic and hard copy formats. Consultant will provide three (3) hardcopies of the 30% documents. Drawings will be in 11x17 size.

- 95% drawings, specifications, and OPC in electronic and hard copy formats. Consultant will provide three (3) hardcopies of the 95% documents. Drawings will be in 11x17 size.

Task 3 – Bidding

- Prepare up to three (3) bid proposals and contract packets (Bid Documents).
 - Contract A – Well Construction will be prepared for construction of the wells, pitless adapters, and well pumps.
 - Contract B – Utilities Construction will be prepared for the site utilities, electrical installation, and site grading/restoration.
 - Contract C – Well Electrical/Control Panels will be prepared to solicit quotes from panel fabricators for constructing the well electrical/control panels to reduce the lead time associated with this equipment.
- Issue bid advertisements in Brainerd Dispatch and upload bidding documents to QuestCDN (Contracts A & B). Consultant assumes Contract C will be directly emailed to three (3) panel fabrication shops to request quotes.
- Respond to questions from prospective bidders.
- Issue necessary addenda to Project Bid Documents.
- Attend an in-person pre-bid meetings.
- Attend bid openings to receive bids via QuestCDN.
 - Contract A - Well Construction bid opening will be held virtually via Microsoft Teams and QuestCDN.
 - Contract B - Utilities Construction bid opening will be held in person.
- Analyze bids, prepare bid tabulation and prepare bid summary letter to City Staff for each contract.

Deliverables:

- Bidding Documents in hardcopy and electronic format. Consultant will provide three (3) hardcopies of the Bidding Documents. Drawings will be in 11x17 size.
- Bid summary letters.

Task 4 – Construction Contract Administration

- Issue notice of award and assemble construction contracts for review and execution by Client and contractor.
 - Contract A – Well Construction
 - Contract B – Utilities Construction
 - Contract C – Well Electrical/Control Panels
- Provide Client and contractor with electronic and hardcopies of executed construction contract documents.
 - Client: three (3) hard copies each construction contract.
 - Contractor: one (1) hard copy each construction contract.
- Assist contractor with MPCA NPDES permit application as needed.
- Conduct a pre-construction conference with representatives of the Client, contractor, Consultant, and affected agencies and utilities. Prepare and distributed agenda/meeting minutes. Separate pre-construction conferences will be held for the construction contracts.
- Conduct up to weekly construction progress meetings with representatives of the Client, contractor, and Consultant. Prepare and distribute agenda/meeting minutes. Consultant will have in-person representation at each construction progress meeting and meetings will also be held via Microsoft Teams.
- Review Contractor's initial schedule, list of Material Suppliers, and list of Subcontractors. Advise Client on contractor submitted construction progress schedule. Respond to contractor on appropriateness of the submitted construction progress schedule as it relates to the specified schedule.
- Review shop drawings and technical submittals required of the contractor by the Contract Documents. A maximum of two submittal reviews for each shop drawing is assumed. Additional shop drawing reviews will occur at the cost of the contractor.

- Review and reply to contractor's request for information/interpretation (RFIs).
- Review monthly applications for payment submitted by the contractors for each project and recommend action by the Client. It is assumed six (6) pay requests will be reviewed for each construction contract.
- Develop and distribute cost proposal requests to contractor for possible changes in work scope.
- Process change order requests received from the contractor as required.
- Prepare CAD surface for excavating contractor use.
- Provide a one-time construction staking for construction of well appurtenances and watermain to include baselines and benchmarks.

Deliverables:

- Construction meeting agendas and minutes. Minutes will be provided in electronic format.
- Contract Documents in hardcopy and electronic format. Consultant will provide three (3) hardcopies of the Contract Documents for each construction contract. Drawings will be in 11x17 size.

Task 5 – Resident Project Representative (RPR)

- Observe construction by providing a Resident Project Representative (RPR). Consultant shall keep the Client informed of the progress of work, shall endeavor to guard the Client against defects and deficiencies in the work of the contractor, and will reject work found not in conformance with the Contract Documents. For the purposes of this agreement, Consultant assumes that three (3) months of full-time RPR services will be provided.
- Maintain field records during on-site observation:
 - Inspection diary
 - Weather conditions
 - Note work activities and work force for all contractors and subs
 - Record site deliveries
 - Record meetings, discussions, observations and decisions
 - Photograph project progress and buried component details
 - Attend periodic job site progress meetings
 - Assist Client with coordination of material compliance testing work
 - Endeavour to observe that record plans are maintained by all contracting forces
 - Endeavour to observe that all piping be cleaned and disinfected per American Water Works Association and guidelines prior to start-up.
- Coordinate construction activities with Client staff.
- Report to Project Manager with clarification and interpretations of contract documents as needed.
- Consider, evaluate, and report contractor's requests for modifications or cost claims to the Consultant Project Manager.
- Provide site visits by professional design personnel affiliated with the design of the well, process, civil and electrical elements of the project. These design personnel will observe the work at appropriate stages of construction to review the quality of work and to determine, in general, whether the work is in conformance with the Contract Documents.
- Where applicable, witness field-testing of the facilities furnished under the construction contract to help assure conformance with the Contract Documents. Such field-testing includes well test pumping, pumping facilities start-up and control system check.
- Review the control system equipment installation and assist with coordinating start-up activities.

RPR services will be provided in accordance with attached Exhibit B.

Task 6 – Project Closeout

- Review Operation and Maintenance (O&M) manuals for contractor provided equipment. Obtain final O&M Manuals from contractor.
- Request and obtain final copies of as-built drawings and sketches from contractor.
- Assist with well start-up and training of operators.
- Conduct one (1) substantial completion project walk through with the Project Manager, RPR, contractor, and Client. Prepare punch list and Certificate of Substantial Completion.
- Provide notification to Client and contractor of potential liquidated damages.
- Fully execute and bring closure to any liquidated damages issue.
- Request and obtain State certified IC-134 forms from contractor and all subcontractors.
- Recommend final payment to contractor upon project completion.
- Notify surety of final payment and commencement of warranty period.
- Prepare and furnish the Client a set of reproducible “Record Drawings” of the construction Project showing those changes the Engineer considers significant which were made during the construction process, based on marked-up prints, drawings, and other data furnished by the Contractor, upon which the Engineer may rely in preparing the Record Plans.
- Provide ongoing assistance to Client during the period following the project’s final completion and extending through the contractor’s 12-month warranty period. Closeout efforts will include up to 16 hours of office engineering and onsite time to assist with resolution of Contractor work or equipment warranty issues. Services will only be performed on an as-needed basis as authorized by Client.

Deliverables:

- Record drawings in hardcopy and electronic format. Consultant will provide two (2) hardcopies of the record drawings for each construction contract. Drawings will be in 11x17 size.
- Operations and maintenance manuals will be supplied by the contractor(s).

Assumptions/Exclusions

- Scope does not include a wellhead protection plan update. If required by MDH, Consultant will provide a separate agreement for those services.
- Consultant will support coordination efforts, but Client will contract directly with the systems integrator. If Consultant is to contract the systems integrator as a subconsultant, an amendment will be provided.
- Design will not require plumbing review by the Minnesota Department of Labor and Industry (DLI). If plumbing review is required, Consultant will provide an amendment to the Contract for Client approval.

Schedule: Consultant is available to begin work immediately upon notice to proceed. The estimated schedule is below.

Task #	Description	Dates
1	Permitting	September 23, 2024 to October 11, 2024
2	Design*	September 30, 2024 to March 16, 2025
3	Bidding*	March 17, 2025 to May 7, 2025
4	Construction Contract Administration*	May 8, 2025 to September 30, 2025
5	Resident Project Representative (RPR)*	May 8, 2025 to September 30, 2025
6	Project Close Out*	September 30, 2025 to September 30, 2026

*Completion of the schedule after the design is complete is contingent upon MDH plan review timeline. Consultant estimates that MDH will take approximately three (3) months to review the drawings and specifications.

Payment:

The total project fee is hourly estimated to be \$401,300 including expenses and equipment. Exhibit A-1 The estimated fee is subject to a not-to-exceed amount of \$401,300 including expenses and equipment. The table

below estimates the fee breakdown between tasks. Consultant may shift fee between tasks to complete the work but will not exceed the total project not-to-exceed amount without approval.

The payment method, basis, frequency and other special conditions are set forth in attached Exhibit A-1.

Task		Total
Task 1	Permitting	\$ 15,700
Task 2	Design	\$ 147,800
Task 3	Bidding	\$ 39,200
Task 4	Construction Contract Administration	\$ 77,800
Task 5	Resident Project Representative (RPR)	\$ 94,300
Task 6	Project Close Out	\$ 26,500
Not-to-exceed Project Fee		\$ 401,300

Other Terms and Conditions: Other or additional terms contrary to the Master Agreement for Professional Services that apply solely to this project as specifically agreed to by signature of the Parties and set forth herein: None.

Short Elliott Hendrickson Inc.

City of Baxter

By: 
Full Name: Christopher Larson
Title: Water Practice Center Leader

By: _____
Full Name: _____
Title: _____

Exhibit A-1
to Supplemental Letter Agreement
Between City of Baxter (Client)
and
Short Elliott Hendrickson Inc. (Consultant)
Dated September 16, 2024

Payments to Consultant for Services and Expenses
Using the Hourly Basis Option

The Agreement for Professional Services is amended and supplemented to include the following agreement of the parties:

A. Hourly Basis Option

The Client and Consultant select the hourly basis for payment for services provided by Consultant. Consultant shall be compensated monthly. Monthly charges for services shall be based on Consultant's current billing rates for applicable employees plus charges for expenses and equipment.

Consultant will provide an estimate of the costs for services in this Agreement. It is agreed that after 90% of the estimated compensation has been earned and if it appears that completion of the services cannot be accomplished within the remaining 10% of the estimated compensation, Consultant will notify the Client and confer with representatives of the Client to determine the basis for completing the work.

Compensation to Consultant based on the rates is conditioned on completion of the work within the effective period of the rates. Should the time required to complete the work be extended beyond this period, the rates shall be appropriately adjusted.

B. Expenses

The following items involve expenditures made by Consultant employees or professional consultants on behalf of the Client. Their costs are not included in the hourly charges made for services but instead are reimbursable expenses required in addition to hourly charges for services and shall be paid for as described in this Agreement:

1. Transportation and travel expenses.
2. Long distance services, dedicated data and communication services, teleconferences, Project Web sites, and extranets.
3. Lodging and meal expense connected with the Project.
4. Fees paid, in the name of the Client, for securing approval of authorities having jurisdiction over the Project.
5. Plots, Reports, plan and specification reproduction expenses.
6. Postage, handling and delivery.
7. Expense of overtime work requiring higher than regular rates, if authorized in advance by the Client.
8. Renderings, models, mock-ups, professional photography, and presentation materials requested by the Client.
9. All taxes levied on professional services and on reimbursable expenses.
10. Other special expenses required in connection with the Project.
11. The cost of special consultants or technical services as required. The cost of subconsultant services shall include actual expenditure plus 10% markup for the cost of administration and insurance.

The Client shall pay Consultant monthly for expenses.

C. Equipment Utilization

The utilization of specialized equipment, including automation equipment, is recognized as benefiting the Client. The Client, therefore, agrees to pay the cost for the use of such specialized equipment on the project. Consultant invoices to the Client will contain detailed information regarding the use of specialized equipment on the project and charges will be based on the standard rates for the equipment published by Consultant.

The Client shall pay Consultant monthly for equipment utilization.

Exhibit B
to Supplemental Letter Agreement
Between City of Baxter (Client)
and
Short Elliott Hendrickson Inc. (Consultant)
Dated September 16, 2024

A Listing of the Duties, Responsibilities and
Limitations of Authority of the Resident Project Representative

Through more extensive on site observations of the construction work in progress and field checks of materials and equipment by the Resident Project Representative (RPR), Consultant shall endeavor to provide further protection for Client against defects and deficiencies in the work of contractor (Work); but, the furnishing of such services will not make Consultant responsible for or give Consultant control over construction means, methods, techniques, sequences or procedures or for safety precautions or programs, or responsibility for contractor's failure to perform the Work in accordance with the Contract Documents. Contract Documents are the documents that govern or are pertinent to contractor's Work including but not limited to the agreement between Client and contractor, the contractor's bid, the bonds, specs, drawings, field orders, addenda, clarifications, interpretations, approved shop drawings and reports collectively called the Contract Documents. The duties and responsibilities of the RPR are further defined as follows:

A. General

RPR is an agent of Consultant at the site, will act as directed by and under the supervision of Consultant, and will confer with Consultant regarding RPR's actions. RPR's dealings in matters pertaining to the on site work shall in general be with Consultant and contractor keeping the Client advised as necessary. RPR's dealings with subcontractors shall only be through or with the full knowledge and approval of contractor. RPR shall generally communicate with Client with the knowledge of and under the direction of Consultant.

B. Duties and Responsibilities of RPR

1. Schedules: Review the progress schedule, schedule of shop drawing submittals and schedule of values prepared by Contractor and consult with Consultant concerning acceptability.
2. Conferences and Meetings: Attend meetings with contractor, such as preconstruction conferences, progress meetings, job conferences and other project-related meetings, and prepare and circulate copies of minutes thereof.
3. Liaison:
 - (a) Serve as Consultant's liaison with contractor, working principally through contractor's superintendent and assist in understanding the intent of the Contract Documents; and assist Consultant in serving as Client's liaison with contractor when contractor's operations affect Client's on-site operations.
 - (b) Assist in obtaining from Client additional information, when required for proper execution of the Work.
4. Shop Drawings and Samples*:
 - (a) Record date of receipt of shop drawings and samples.
 - (b) Receive samples furnished at the site by contractor, and notify Consultant of availability of samples.
 - (c) Advise Consultant and contractor of the commencement of any Work requiring a shop drawing or sample if the submittal has not been approved by Consultant.
5. Review of Work, Observations and Tests:
 - (a) Conduct on-site observations of the Work in progress to assist Consultant in determining if the Work is in general proceeding in accordance with the Contract Documents.
 - (b) Report to Consultant whenever RPR believes that any Work is unsatisfactory, faulty or defective or does not conform to the Contract Documents, or has been damaged, or does not meet the requirements of any inspection, test or approval required to be made; and advise Consultant of

Work that RPR believes should be corrected or rejected or should be uncovered for observation, or requires special testing, inspection or approval.

- (c) Determine if tests, equipment and systems start-ups and operating and maintenance training are conducted in the presence of appropriate personnel, and that Contractor maintains adequate records thereof; and observe, record and report to Consultant appropriate details relative to the test procedures and start-ups.
 - (d) Accompany visiting inspectors representing public or other agencies having jurisdiction over the Project, record the results of these inspections and report to Consultant.
6. Interpretation of Contract Documents: Report to Consultant when clarification and interpretations of the Contract Documents are requested by contractor and transmit to contractor clarifications and interpretations as issued by Consultant.
7. Modifications: Consider and evaluate contractor's suggestions for modifications in drawings or specifications and report with RPR's recommendations to Consultant. Transmit to contractor decisions as issued by Consultant.
8. Records:
- (a) Maintain at the job site orderly files for correspondence, reports of job conferences, shop drawings and samples, reproductions of original Contract Documents including all addenda, change orders, field orders, additional drawings issued subsequent to the execution of the construction contract, Consultant's clarifications and interpretations of the Contract Documents, progress reports, and other related documents.
 - (b) Keep a diary or log book, recording contractor hours on the job site, weather conditions, data relative to questions of change orders, or changed conditions, list of job site visitors, daily activities, decisions, observations in general, and specific observations in more detail as in the case of observing test procedures; and send copies to Consultant.
 - (c) Record names, addresses and telephone numbers of all contractors, subcontractors and major suppliers of materials and equipment.
9. Reports:
- (a) Furnish Consultant periodic reports as required of progress of the Work and of contractor's compliance with the progress schedule and schedule of shop drawing and sample submittals.
 - (b) Consult with Consultant in advance of scheduled major tests, inspections or start of important phases of the Work.
 - (c) Draft proposed change orders and Work, obtaining backup material from contractor and recommend to Consultant change orders, and field orders.
 - (d) Report immediately to Consultant and Client upon the occurrence of any accident.
10. Payment Requests: Review applications for payment with contractor for compliance with the established procedure for their submission and forward with recommendations to Consultant, noting particularly the relationship of the payment requested to the schedule of values, Work completed and materials and equipment delivered at the site but not incorporated in the Work.
11. Certificates, Maintenance and Operation Manuals: During the course of the Work, verify that certificates, maintenance and operation manuals and other data required to be assembled and furnished by contractor are applicable to the items actually installed and in accordance with the Contract Documents, and have this material delivered to Consultant for review and forwarding to Client prior to final payment for the Work.
12. Completion:
- (a) Before Consultant issues a certificate of substantial completion, submit to contractor a list of observed items requiring completion or correction.
 - (b) Conduct final inspection in the company of Consultant, Client, and contractor and prepare a final list of items to be completed or corrected.
 - (c) Observe that all items on final list have been completed or corrected and make recommendations to Consultant concerning acceptance.

C. Limitations of Authority

Resident Project Representative:

1. Shall not authorize any deviation from the Contract Documents or substitution of materials or equipment, unless authorized by Client.
2. Shall not exceed limitations of Consultant's authority as set forth in the Agreement for Professional Services.
3. Shall not undertake any of the responsibilities of contractor, subcontractors or contractor's superintendent.
4. Shall not advise on, issue directions regarding or assume control over safety precautions and programs in connection with the Work.
5. Shall not accept shop drawing or sample submittals from anyone other than contractor.
6. Shall not authorize Client to occupy the Project in whole or in part.
7. Shall not participate in specialized field or laboratory tests or inspections conducted by others except as specifically authorized by Consultant.