



October 31, 2024

Mr. Eric Buckman
City Manager
City of Gladstone
1100 Delta Avenue
Gladstone, MI 49837

Re: Proposal for Professional Services: CWSRF PROJECT

Dear Mr. Buckman,

The final scoring by EGLE for the CWSRF Project Plan submitted in May of 2024 indicated that Gladstone has a total priority points score of 75 out of 100. This ranks Gladstone CWSRF as high as No. 5 in the state. With the high ranking, Gladstone will be within the fundable range for the CWSRF project.

The Project will follow the EGLE Milestone Schedule for 4th Quarter Financing. This schedule was prepared by EGLE with stringent milestone deliverables needed throughout the design and bidding process to ensure loan closing by the end of August 2025. To keep the project moving forward at an accelerated pace, C2AE will need to begin preliminary design work in the near future. C2AE has teamed up with TriMedia (Surveying) and Soils & Structures (soil boring) to meet EGLE's demand and time frame. We are excited and look forward to meeting your demands and expectations on this very important project.

The project will be a combination of sanitary sewer lining and replacement. C2AE will be project manager for the entire project with lead rolls on the collection system improvements. Due to the similarity of work items, we anticipate one bidding process for the entire project.

Project cost summary, from the Project Plan, indicates a total project cost of \$8,200,000. Funding allocation as to the percentage of grant/principle forgiveness and loan has been set by EGLE. Principle forgiveness amount will be \$984,000 with the loan component to be \$7,216,000. Cost associated with Engineering, Bond Council, Financial Advisor and other ancillary expenses are reimbursable through the CWSRF Program once loan funding is secured.

Based on the Project Plan, the list of improvements includes the following items:

- | | | |
|----|---|-------------------------------------|
| 1. | Minneapolis Ave (18 th St to S. 6 th St): | Lining Sanitary Sewer (5,050 feet) |
| 2. | Michigan Ave (S 11 th St to S 5 th St): | Replace Sanitary Sewer (2,500 feet) |
| 3. | Minnesota Ave (S 11 th St to S 4 th St): | Replace Sanitary Sewer (3,000 feet) |
| 3. | Delta Ave (S 15 th St to N 11 th St): | Lining Sanitary Sewer (1,650 feet) |
| 4, | West Superior Ave (N 14 th St to N 10 th St): | Lining Sanitary Sewer (1,650 feet) |
| 5. | N 17 th St (1 st Ave to 4 th Ave N): | Replace Sanitary Sewer (1,725 feet) |



Project Schedule shall follow EGLE CWSRF Project Milestone Schedule for 4th Quarter. Noticeable Milestone dates of concern are as follows (estimate):

- | | |
|--|-----------|
| • Draft Plans and Specifications submittal: | 2-21-2025 |
| • Publication of Environmental Assessment: | 4-22-2025 |
| • Submittal of Final Bid-Set Plans and Specifications: | 5-8-2025 |
| • Part I & Part II CWSRF Application: | 5-13-2025 |
| • Advertisement for Bidding: | 5-22-2025 |
| • Bid Opening: | 6-22-2025 |
| • MFA Loan Closing: | 8-26-2025 |

The Cost Breakdown for Engineering Services for the CWSRF Project is as follows:

Basic Engineering Services:

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|-----------------------------|-----------------------------------|
| • Planning (Project Plan): | \$ 15,000 – Completed |
| • Preliminary Engineering: | \$185,000 |
| • Final Engineering: | \$104,000 |
| • Bidding and Negotiating: | \$ 11,000 |
| • Construction Engineering: | \$215,000 |
| • Post-Construction: | <u>\$ 21,000</u> |
| | \$551,000 Total Basic Engineering |

Additional Engineering Services during Design

- | | |
|---------------------------------------|-----------------|
| • Soil Borings: | \$ 16,750 |
| • Control Survey: | \$ 33,500 |
| • Part I and Part II SRF Application: | \$ 3,350 |
| • Permitting: | <u>\$ 3,350</u> |
| | \$ 56,950 |

Additional Engineering Services during Construction

- | | |
|---|-----------------|
| • Construction Layout: | \$50,250 |
| • Material Testing: | \$13,400 |
| • Storm Water Management | \$ 6,700 |
| • American Iron and Steel (AIS) Monitoring: | \$ 7,500 |
| • Part III SRF Application: | <u>\$ 3,350</u> |
| • | \$ 81,200 |

Resident Project Representative

- | | |
|--|---------------|
| • Anticipate one Inspector during course of project. | |
| • Assume 9 months of construction. | |
| • Time and Material estimate for RPR: | \$268,000 T&M |

Total Engineering: \$957,150



The cost of services outlined above are less than what has been programmed into the funding agency budgets. This is due to the reduced scope of work as approved by the city. Engineering Costs can be reimbursable to the city once the financial loan closing has been completed.

C2AE would like to thank the City of Gladstone for the opportunity to work in our hometown and continue to make a better community. We look forward to working with you and your staff on this very important project.

Respectfully,

A handwritten signature in blue ink, appearing to read 'D. Pionk', written over a light blue horizontal line.

Darren Pionk, PE
Project Manager