

## PROCUREMENT CONTRACT

This Procurement Contract (“**Contract**”) is by and between the Grand Rapids Public Utilities Commission, located at 500 SE 4th St, Grand Rapids, MN 55744 (“**GRPUC**”), and Bolton & Menk Inc., a business, located at 7533 Sunwood Drive NW Suite 206 Ramsey, MN 55303-5119 (“**Contractor**”). GRPUC and Contractor may be referred to jointly as the “**Parties**” or individually as a “**Party**.”

### Recitals

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A. GRPUC has solicited and received quotations from contractors for engineering services for planning and design of disinfection services of the drinking water system (“**Solicitation**”);

B. Contractor provided a response to the Solicitation indicating its interest in and ability to provide the goods or services requested in the Solicitation; and

C. Subsequent to an evaluation in accordance with the terms of the Solicitation and negotiation, the Parties desire to enter into a contract.

Accordingly, the Parties agree as follows:

### Contract

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1. **Term.** The effective date of this Contract is 2/6/24. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by GRPUC’s Authorized Representative to begin the work. This Contract will terminate upon the first of the following to occur:

1.1 12/31/24.

1.2 All of Contractor’s obligations have been satisfactorily fulfilled.

1.3 GRPUC may cancel this Contract at any time, with or without cause, upon ten (10) days’ written notice to the Contractor.

1.4 GRPUC may terminate this Contract immediately in the event of a breach by Contractor.

1.5 The Parties may terminate this Contract at any time by mutual written agreement.

Upon receipt of any notice of termination Contractor shall immediately stop performance to the extent specified in such notice. In no event shall GRPUC be liable for any loss of revenue or profit incurred by Contractor as a result of any termination. Upon termination of this Contract, or earlier upon GRPUC’s request, Contractor shall deliver to GRPUC all items requested by GRPUC containing any confidential information or work product information or make such other disposition thereof as GRPUC may direct in writing.

## 2. Contractor's Duties

2.1 The Contractor shall:

### Data Collection and Review

Obtain existing and new data from GRPU including water chemistry data, operations data, and treatment plant records drawings.

Analyze water chemistry to determine required chemical dosages and potential side effects on water quality from feeding chlorine.

Review existing treatment facility to determine locations for chemical feed storage and equipment.

Work with Corona Environmental as directed by utility.

### Develop and Submit Plans and Specifications to MDH

Develop required plan sheets and specifications for submittal to MDH.

Work with MDH to gain approval for the chemical feed systems.

Consult with MDH to determine required testing frequency.

### Develop a Monitoring Plan for Control Testing

Collaborate with MDH and GRPU staff to determine sampling points and frequency of testing.

Create written procedures for control testing of water quality once the new chemical feed systems are operational.

### Bidding, Installation, and Startup

Develop a proposal for solicitation of quotes from contractors for installation of the equipment.

The work will include electrical and controls improvements for the new equipment.

Provide coordination with the selected contractor for installation of the equipment.

Provide on-site support during installation and startup of the equipment as well as assistance for initiation of control testing (assumed duration is one week).

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(The services (if any) to be provided by Contractor to GRPUC are referred to as the “**Services.**” The goods (if any) to be provided by Contractor to GRPUC are referred to as the “**Goods.**”). Contractor’s precise duties, specifications, deliverables, and completion dates related to the Goods and Services are more specifically described in **Exhibit B**.

2.2 GRPUC may make changes to the general scope of Goods and Services by written or oral notice to Contractor. If such changes affect the cost of or the time required to provide the Goods and Services, an equitable adjustment in the schedule and compensation under this Contract shall be made. GRPUC and Contractor may agree to additional Services or Goods by written amendment to this Contract.

2.3 Contractor agrees that all Goods and Services shall be provided, and all of Contractor’s obligations performed, in accordance with all applicable laws and other legal requirements without extra charge or expense, all subject to the applicable standard of care. Contractor will be responsible for a violation of any such legal requirements and will indemnify, defend, and hold harmless GRPUC from and against any expense or cost incurred by reason of any such violation by Contractor.

2.4 Contractor warrants and represents that the Goods and Services will be provided in a manner that is consistent with the level of care and skill exercised by members of Contractor’s profession currently working under similar conditions. All Goods and Services not conforming to this standard will be considered defective and Contractor shall, at no cost to GRPUC, promptly and satisfactorily correct all such defective Goods and Services. Payment shall be withheld for Goods or Services found by GRPUC to be unsatisfactory or in violation of legal requirements.

2.5 Contractor shall be responsible for all its employees, agents, subcontractors, and invitees and their health and safety. Contractor shall ensure that all persons who perform the Services or produce or deliver the Goods are professionally competent and properly qualified and will remove any person GRPUC deems incompetent, careless, or otherwise objectionable.

2.6 Contractor is solely responsible and assumes full and exclusive liability for the payment of all contributions or taxes to be paid on or to persons employed by Contractor, and for payment of all sales, use, or other taxes of whatever nature levied or assessed against GRPUC arising out of the furnishing of the Services or production or delivery of the Goods, and will indemnify, defend, and hold harmless GRPUC from any such liability.

### **3. Consideration and Payment**

3.1 Consideration. GRPUC will pay for performance by the Contractor under this Contract as follows:

3.1.1 Compensation. The Contractor will be paid Thirty-Eight Thousand and Four Hundred Dollars (\$38,400).

3.1.2 Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Thirty-Eight Thousand and Four Hundred Dollars (\$38,400) .

### 3.2 Payment.

3.2.1 Invoices. GRPUC will pay the Contractor within thirty (30) days following receipt of an undisputed invoice that complies with **Exhibit C**. GRPUC may pay the Contractor in advance in its sole discretion. Payment will only be made for Goods received or Services actually performed that have been accepted by GRPUC.

3.2.2 Retainage. No more than ninety percent (90%) of the amount due under this Contract may be paid until Contractor has performed all of its obligations under this Contract to GRPUC's satisfaction.

## 4. **Authorized Representative**

GRPUC's Authorized Representative is Steve Mattson Water Wastewater Manager at the following business address: 500 SE 4<sup>th</sup> Street, Grand Rapids, MN, 55744 and the following telephone number: 218-326-5195, or his/her successor or delegate, and has the responsibility to monitor the Contractor's performance.

Contractor's Authorized Representative is Brian Gulden Principal Environmental Engineer, at the following business address: 7533 Sunwood Drive NW Suite 206 Ramsey, MN 55303-5119, and the following telephone number: 763-433-2851, ext 2658, or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify GRPUC.

5. **Indemnification.** Contractor will indemnify, defend, and hold harmless GRPUC, its agents, and employees, in relation to any expenses, damages, claims or causes of action, including reasonable attorney's fees, to the extent caused by any negligent or wrongful act, error or omission, breach of contract, or infringement of any intellectual property right by Contractor, any third party that Contractor has a business relationship with, or any of Contractor's agents or employees.

6. **Subcontracting.** Contractor may not subcontract all or any portion of this Contract without GRPUC's prior written consent, which GRPUC may grant or withhold in its sole discretion. If an approved subcontractor is determined to be performing unsatisfactorily by GRPUC, Contractor will ensure that the subcontractor is no longer used for this Contract. The provisions of the Contract shall apply with equal force and effect to all approved subcontractors and no subcontract will terminate the primary responsibility of Contractor hereunder. Contractor will pay all subcontractors in accordance with applicable law and the agreement between Contractor and the subcontractor.

7. **Ownership.** Contractor agrees that all legal right, title, and interest to intellectual property, data, documents, photographs, drawings, analyses, graphs, reports, physical property or other subject matter (“**GRPUC Property**”) prepared, delivered, procured, or produced in relation to Contractor’s obligations under this Contract shall vest in GRPUC. Contractor will perform all acts necessary to ensure that all GRPUC Property is the sole property of GRPUC, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the GRPUC Property. Notwithstanding the foregoing, Contractor retains title and interest in all of its standard details, plans, specifications and engineering computation documents (“**Previously Created Works and Documents**”), whether in written or electronic form, which have been incorporated into the deliverables and documents provided to GRPUC, but which were developed by Contractor independent of this Agreement. Contractor issues to GRPUC a royalty-free, nonexclusive and irrevocable license to use the Previously Created Works and Documents for the Project.

8. **GRPUC Audits.** The Contractor’s books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by GRPUC for six (6) years from the expiration or termination of this Contract. After reasonable notice, Contractor shall make such books, records, documents, and accounting procedures and practices available to GRPUC for its examination and audit.

9. **Miscellaneous.**

9.1 General. No provision of this Contract may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by all the Parties. No waiver by a Party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by any Party which are not expressly set forth in this Contract. The validity, interpretation, construction and performance of this Contract shall be governed by the internal laws of Minnesota. If any provision of this Contract shall be held or made invalid by a court decision, statute, rule or otherwise, the remainder of this Contract shall not be affected thereby. This Contract shall be binding on, and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Contractor may not assign Contractor’s rights or obligations hereunder without the prior written consent of GRPUC. This Contract may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Contract in Portable Document Format (PDF) or by facsimile transmission shall be as effective as delivery of a manually executed original counterpart of this Contract. In the event a Party institutes any legal proceeding against another Party regarding this Contract, the prevailing Party is entitled to receive the costs incurred by such Party, including reasonable attorneys’ fees. In performing its obligations under this Contract, Contractor and its employees and agents shall act in the capacity of independent contractors and not as an employee, partner, joint venturer, or agent of GRPUC. When Contractor’s employees are working on the premises of GRPUC, wherever located, they shall observe the working rules, policies, and procedures of GRPUC, including, but not limited to, its respectful workplace policy. The Parties must comply with the Minnesota Government Data Practices Act in relation to this Contract. Contractor certifies that neither it nor its principals are presently debarred or suspended by any federal, state, or local government or agency or political subdivision thereof. Neither Party will publicize anything in relation to this Contract without



## **Exhibit A: Insurance Requirements**

- 1 **Notice to Contractor and Insurer.** Contractor shall not commence work under the Contract until it has obtained all the insurance described below and GRPUC has approved such insurance. Contractor shall maintain such insurance throughout the term of this Contract. GRPUC reserves the right to immediately terminate this Contract if the Contractor is not in compliance with the insurance requirements. All insurance policies must be open to inspection by GRPUC, and copies of policies must be submitted to GRPUC's Authorized Representative upon written request. The Contractor's insurance companies waive the right to assert the immunity of GRPUC as a defense to any claims made under said insurance.
  
  - 2 **Additional Insurance Conditions.** The following apply to the Contractor and Contractor's subcontractor: Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to GRPUC. Contractor agrees to notify GRPUC within five (5) business days of receipt of any insurance cancellation notice. Contractor is responsible for payment of Contract-related insurance premiums and deductibles. Contractor's policy(ies) shall include legal defense fees in addition to its policy limits with the exception of professional liability. Contractor's insurance companies must either (1) have an AM Best rating of A- (minus) and a Financial Size Category of VII or better, and be authorized to do business in Minnesota, or (2) be domiciled in Minnesota and have a Certificate of Authority/Compliance from the Minnesota Department of Commerce if they are not rated by AM Best. An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.
  
  - 3 **Coverages.** Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:
    - 3.1 **Commercial General Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
      - \$1,500,000 – per occurrence
      - \$1,500,000 – annual aggregate
      - \$1,500,000 – annual aggregate – applying to Products/Completed Operations
  
    - 3.2 **Commercial Automobile Liability Insurance** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:
      - \$1,500,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage
- The following coverages should be included: Owned, Hired, and Non-owned Automobile.

3.3 **Workers' Compensation Insurance.** Contractor shall obtain and maintain for the duration of the Contract, statutory workers' compensation insurance and employer's liability insurance as required under the laws of the State of Minnesota.

3.4 **Professional Liability, Errors, and Omissions.** This policy will provide coverage for all claims the Contractor may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Contractor's professional services required under the Contract. Insurance minimum limits are as follows:

\$2,000,000 - per claim or event

\$2,000,000 - annual aggregate

Any deductible will be the sole responsibility of the Contractor and may not exceed \$50,000 without the written approval of GRPUC.

3.5 **Privacy Liability Insurance (or equivalent)** coverage that would be maintained by a reasonable contractor in Contractor's profession performing a similar contract, with the following minimum limits:

\$2,000,000 - per Occurrence

\$2,000,000 - annual Aggregate

The following coverage shall be included: GRPUC named as an Additional Insured unless the coverage is written under a Professional Liability policy.

3.6 **Property of Others Insurance (or equivalent).** The Contractor shall maintain a property insurance policy covering "All Risk" of direct physical loss or damage, or equivalent, including the perils of theft, flood, transit, earthquake, and pollution clean-up expense for property owned by GRPUC that is in the Contractor's care, custody, and control. Any deductible shall be the sole responsibility of the Contractor. Insurance **minimum** limits are as follows: The Contractor is solely responsible for the coverage equal to that of the actual cash value of GRPUC-owned property in the Contractor's care, custody, and control at any given point in time.



## **Exhibit B: Specifications, Duties, and Scope of Work**

### Data Collection and Review

Obtain existing and new data from GRPU including water chemistry data, operations data, and treatment plant records drawings.

Analyze water chemistry to determine required chemical dosages and potential side effects on water quality from feeding chlorine.

Review existing treatment facility to determine locations for chemical feed storage and equipment.

Work with Corona Environmental as directed by utility.

### Develop and Submit Plans and Specifications to MDH

Develop required plan sheets and specifications for submittal to MDH.

Work with MDH to gain approval for the chemical feed systems.

Consult with MDH to determine required testing frequency.

### Develop a Monitoring Plan for Control Testing

Collaborate with MDH and GRPU staff to determine sampling points and frequency of testing.

Create written procedures for control testing of water quality once the new chemical feed systems are operational.

### Bidding, Installation, and Startup

Develop a proposal for solicitation of quotes from contractors for installation of the equipment.

The work will include electrical and controls improvements for the new equipment.

Provide coordination with the selected contractor for installation of the equipment.

Provide on-site support during installation and startup of the equipment as well as assistance for initiation of control testing (assumed duration is one week).



Real People. Real Solutions.

504 NW 1st Avenue  
Suite 205  
Grand Rapids, MN 55744

Ph: (218) 571-4347  
Bolton-Menk.com

February 6, 2024

Steve Mattson  
Grand Rapids Public Utilities  
500 SE 4<sup>th</sup> Street  
Grand Rapids, MN 55744

RE: Water Treatment Plant Chlorine Addition  
Grand Rapids Public Utilities

Dear Steve,

Thank you for the opportunity to present this scope and fee letter for engineering services to assist the Grand Rapids Public Utilities (GRPU) with implementation of a temporary chlorine feed system at the GRPU Water Treatment Plant (WTP). We understand the importance of this effort and our team will work diligently to help implement the improvements in a timely manner.

#### Background

We understand there has been a Legionnaires outbreak at some locations in Grand Rapids, although there has not been Legionnaires found in the public water supply. However, it is desired that chlorination be added at the WTP to help eliminate current and future outbreaks. The goal of this project is to begin chlorination as soon as possible by implementing a temporary chlorine feed system. It will be advantageous to implement temporary measures that can be utilized in permanent chlorination and we will take this into consideration in our design of the improvements. Since chlorine addition can change water chemistry and create potential corrosion of lead and copper water services, this project will also include installation of a corrosion inhibitor chemical feed system. A detailed scope of work to accomplish installation and startup of the chemical feed systems is provided below.

#### Scope of Work

We have determined there are 5 separate tasks required to implement the chlorine and corrosion inhibitor feed systems. Those tasks are presented below.

##### Task 1 – Data Collection and Review

- Obtain existing and new data from GRPU including water chemistry data, operations data, and treatment plant records drawings.
- Analyze water chemistry to determine required chemical dosages and potential side effects on water quality from feeding chlorine.
- Review existing treatment facility to determine locations for chemical feed storage and equipment.

##### Task 2 – Develop and Submit Plans and Specifications to MDH

- Develop required plan sheets and specifications for submittal to MDH.
- Work with MDH to gain approval for the chemical feed systems.
- Consult with MDH to determine required testing frequency.

Task 3 – Develop a Monitoring Plan for Control Testing

- Collaborate with MDH and GRPU staff to determine sampling points and frequency of testing.
- Create written procedures for control testing of water quality once the new chemical feed systems are operational.

Task 4 – Bidding, Installation, and Startup

- Develop a proposal for solicitation of quotes from contractors for installation of the equipment. The work will include electrical and controls improvements for the new equipment.
- Provide coordination with the selected contractor for installation of the equipment.
- Provide on-site support during installation and startup of the equipment as well as assistance for initiation of control testing (assumed duration is one week).

Task 5 – Data Analysis and Support

- Support staff with data analysis and chemical feed adjustment based on control testing after the initial one-week startup period.
- On call services as needed.

Fees

We have calculated an estimated fee of \$38,400 to complete Tasks 1-4 as listed above. A detailed breakdown of hours for these tasks is presented in the below table. The estimated fee of \$38,400 will be billed on an hourly basis at our standard hourly rates. Compensation for Task 5 will be invoiced on an hourly basis for ongoing data analysis and support as needed.

### Detailed Cost Estimate

Grand Rapids Public Utilities Chlorination Addition		Bolton & Menk, Inc.								
Task No.	Work Task Description	Principle in Charge	Project Manager	Project Engineer	Electrical Engineer	Technician		Total Hours	Total Cost	
1.0	Data Collection and Review	6	10	10				26	\$4,756	
2.0	MDH Submittal Documents	6	12	12	20	16		66	\$11,100	
3.0	Monitoring Plan	2	10	10				22	\$3,932	
4.0	Bidding/Installation/Startup	12	24	52	16			104	\$18,648	
5.0	Data Analysis and Support	On Call As Needed								
<b>Total Hours</b>		26	56	84	36	16		218		
<b>Average Hourly Rate</b>		\$206.00	\$196.00	\$156.00	\$210.00	\$90.00				
<b>Subtotal</b>		\$5,356	\$10,976	\$13,104	\$7,560	\$1,440				
<b>Total Estimated Fee</b>								<b>\$38,436</b>		

Thank you for the opportunity to assist GRPU with this project. We look forward to working with you and your staff. If you need any additional information or have any questions on the above, please do not hesitate to give me a call.

Respectfully submitted,

**Bolton & Menk, Inc.**



Brian Guldan, P.E.  
Principal Environmental Engineer

CC: Morgan Salo, Bolton and Menk, Inc.  
Dean Helstrom, Bolton and Menk, Inc.

**Grand Rapids Public Utilities**

\_\_\_\_\_  
(Authorized Representative)

\_\_\_\_\_  
(Date)