

April 27, 2026

James Gallup, City Manager  
City of Jefferson City  
112 City Center Drive  
Jefferson City, Tennessee 37760

Re: 2024 ARP SWIG Wastewater System  
Improvements - Additional Construction  
Administration & Inspection Fees

James:

In discussions with East Tennessee Development District (ETDD), there is nearly \$185,000 in grant funds still available. At the time of project award, the intent was to retain these contingency grant dollars to cover any issues that could arise in the current rehabilitation contract with the Contractor (Morgan Contracting). Since then, the Contractor and our inspection staff have moved forward in a way that has kept the project costs under the original awarded amount. Therefore, with the contingency funds still available, our staff has been working over the last 60-75 days with the Contractor to develop additional scope of work to maximize the remaining funds to continue to improve the inflow and infiltration issues in the gravity sewer lines in the area.

Accordingly, we have coordinated this effort with Mitch Loomis with ETDD and he has requested that we develop the construction change order for Morgan Contracting (*already developed and submitted for City approval*) in addition to any additional construction administration and inspection services fees incurred/will be incurred by McGill with the added scope of rehabilitation work. The proposed construction change order generally consists of the trenchless repair of an existing 1,020 linear feet by pipe burst as well as the rehab of four (4) existing manholes for an amount \$154,156.00 and is shown on the most current change order.

Following funding guidelines, the sewer improvement project is required to have construction administration and inspection services to ensure the proposed sewer improvements are installed, tested, and fully functional as designed. In the development of our original professional services contract with the City, a construction timeline for construction administration and inspection fees was determined (150 days) with McGill associated fee at that time of \$80,000. With the added scope of construction work with the Contractor increasing by 135 days and extending beyond our original contract amount, we are requesting additional services in the amount of \$24,000 to continue in accordance with funding guidelines.

**SCOPE OF SERVICES – PROFESSIONAL SERVICES (ADDITIONAL)**

**PROJECT:** 2024 ARP SWIG Wastewater System Improvements  
**LOCATION:** Various locations

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|                                                                               |           |                      |
|-------------------------------------------------------------------------------|-----------|----------------------|
| <b>ENGINEERING DESIGN</b>                                                     | <b>\$</b> | <b>N / A</b>         |
| <b>ENGINEERING – OTHER THAN DESIGN</b>                                        | <b>\$</b> | <b>N / A</b>         |
| <b>CONSTRUCTION OBSERVATION</b><br>(starting Sept 2024 to project completion) | <b>\$</b> | <b><u>24,000</u></b> |
| <b>TOTAL</b>                                                                  | <b>\$</b> | <b>24,000</b>        |

If you find this revised scope and fee acceptable, please indicate acceptance by signing and returning one copy for our files.

**ACCEPTED**

CITY OF JEFFERSON CITY

McGILL ASSOCIATES, P.A.

BY: \_\_\_\_\_  
(Signature)

BY:   
\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name/Title)

Jamie Carden, Principal  
\_\_\_\_\_  
(Print Name/Title)

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

Date: April 27, 2026