

October 5, 2023

Ellen Hilbig, P.E.
Utilities Director, Town of Johnstown
450 S. Parish Ave
Johnstown, Colorado 80534

Subject: Johnstown WTP Work Authorization 2 - Early Equipment Procurement

Dear Ellen,

MWH Constructors is pleased to submit this Work Authorization – 2, Early Equipment Procurement proposal addressing procurement of long lead materials in the amount of \$22,543,126.00. This proposal is based on the 60% design and Opinion of Probably Construction Costs.

Procurement Packages will include the following:

- P-01 – Emergency Generators
- P-02 – Motor Control Centers and Harmonic Filters
- P-03 – Vertical Turbine Pumps and VFD's
- P-04 – GAC Vessels and Media
- P-05 – Membrane Filter System
- P-06 – Pre-Engineered Metal Building (Treatment Building Only)
- P-07 – Electrical Preconstruction Services

The Pre-Construction tasks for these bid packages include bidding, negotiating, and executing purchase agreements that will be included in our Construction Contract. Also included is the management and supervision of the Procurement Packages.

All bid packages will be reviewed with the Town of Johnstown and Burns and McDonnell prior to any award.

The proposal is based on the following:

- Estimated prices for the procurement of long lead materials and early work activities are based upon 60% design budgetary quotes and are our best estimate of cost but are subject to change pending final design updates and competitive bidding process for actual binding pricing.
- Final construction documents including complete specifications and associated drawings are required prior to any Purchase Agreement can be executed.

- Procurement of long lead items that are critical for the expedient delivery of the project. The estimated equipment manufacturing and delivery lead-times we have been given following approved submittals are (subject to change)
 - *P-01 – Emergency Generators: 52 Weeks*
 - *P-02 – Motor Control Centers and Harmonic Filters: 65 Weeks*
 - *P-03 – Vertical Turbine Pumps and VFD's: 48 Weeks*
 - *P-04 – GAC Vessels and Media: 36 Weeks*
 - *P-05 – Assignment of Membrane Supply: 30 Weeks*

- All purchase agreements and subcontracts will be vetted through the Owner and Engineer as required in the Construction Contract.

- Payments in Work Authorization 2 for material and equipment will be in accordance with payment schedules negotiated with successful bidders, and in accordance with the executed Construction Agreement. It is anticipated that the payment schedule may include some or all the following milestone payments, to be negotiated prior to final issuance of Purchase Agreement:
 - *10% Purchase Price for Submittals and Engineering*
 - *40% Purchase Price for Raw Materials*
 - *40% Purchase Price for Materials Stored or Delivered to Site*
 - *5% Purchase Price for Startup and Testing*
 - *5% Retainage*

All work associated with this early work package will be in accordance with the terms and conditions of the Construction Contract and General Conditions.

Sincerely,

Matthew M. Wojtkiewicz

Digitally signed by Matthew M. Wojtkiewicz
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E=Matthew.Wojtkiewicz@MWHConstructors.com,
OU=MWH Constructors, CN=Matthew M. Wojtkiewicz
Date: 2023.10.05 12:49:26-06'00'

Matthew M. Wojtkiewicz
Project Executive
MWH Constructors