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September 30, 2025

RE: Proposal for Professional Services
Feasibility Study
2026 Street Improvements Project

Matt Rynda
Public Works Director
City of New Prague
118 Central Avenue N
New Prague, MN 56071-1534

Dear Matt:

In 2023, 10th Avenue SE located between 15th Street SE (CSAH 29) and 1st Street SE was determined to need pavement rehabilitation due to its quickly deteriorating surface. This improvement was part of the Feasibility Report for the 2024 Street and Utility Improvement Project and included pavement repairs, ADA improvements, and consideration toward a mini-roundabout at 3rd Street SE and a center median through much of the street. As the City sought funding from outside sources, this improvement was not included with the 2023 construction project. As outside funding has not been successful and the need to complete this improvement persists, it is now considered for construction in 2026.

ASSUMED 2026 PROJECT AREA SCOPE:

The scope of the improvements for the project are expected to include those identified in the previous feasibility report as noted above. Median construction along the entirety of the street is not being considered at this time due to the added costs, though they may be considered for intersections. The mini-roundabout is still proposed at 3rd Street SE. Additional trail improvements are not being considered on the west side of the roadway. Enhanced crosswalks including RRFBs may also be considered.

ANTICIPATED SCOPE OF SERVICES:

The current proposal will primarily include an update of previous concept layouts and concepts assembled previously. It will also include revisions as noted above to the scope of improvements along with additional revisions that are determined through the process. No survey is proposed as part of the Feasibility Project as information was previously obtained. It may be necessary to complete some survey, though that will be included as part of a future design development phase. A neighborhood meeting is proposed along with updates to the assessment role. A public hearing would be held in December. An advanced funding request may be need from MnDOT to cover construction costs.

We will review the preliminary designs with Public Works and Utility staff, refine costs estimates, and prepare a preliminary assessment roll to estimate assessment revenue and proposed funding to be anticipated on the project. This information will be compiled into a 2026 feasibility report in compliance with MN Statue 429. Our current proposal and scope of services will take the project through the public hearing and city council consideration of ordering the improvement.

As part of MnDOT State Aid requirements, a traffic study or roundabout justification report is required to utilize State Aid funding toward a roundabout construction. Currently, it is proposed to complete the roundabout construction using local funds only to save on those additional costs. If this is reconsidered in

Engineers | Architects | Planners | Scientists

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the future, a proposal for completing one of those reports will be provided. Roundabout geometrics will be updated as part of this proposal to confirm the extent of improvements needed.

PROPOSED FEES:

We propose to provide the services outlined above for an Hourly, Not-to-Exceed fee of \$15,000.

Final Design, Bidding, and Construction Services:

As has been done with city past projects, we would propose to submit a future proposal for final design, bidding and construction services at the conclusion of Phase 1 work, after the full scope of the project is better defined. This project will require a submittal to MnDOT for State Aid review as it will be partially funded through that source.

SCHEDULE AND FUTURE STEPS:

The anticipated schedule is illustrated below and can be adjusted to meet the needs or desires of the city council and staff:

Feasibility Phase (Phase I):

- | | |
|--|-------------------------|
| • Council Orders Preparation of a Feasibility Study* | October 6, 2025 |
| • Informational Letters sent out to the Residents | One week after approval |
| • Field Investigations | October 2025 |
| • Conduct Neighborhood Meeting | October 29, 2025 |
| • Draft Feasibility Study for Staff | October 31, 2025 |
| • Present Feasibility Study to Council & Order Public Hearing* | November 17, 2025 |
| • Hold Public Hearing/Council Orders Improvement* | December 15, 2025* |

Design Phase (Phase II):

- | | |
|---|--------------------------|
| • Consider Eng. Proposal for Design & Const. Admin. Services* | December 15, 2025* |
| • Prepare Final Design, Plans, and Specifications
2026 | December 2025 – February |
| • MnDOT State Aid Submittal | February 16, 2026 |
| • Council Approves plans and Authorizes Ad for Bids* | March 2, 2026 |
| • Advertising for Bids | March 5 – March 26, 2026 |
| • Bid Opening | March 26, 2026 |
| • Council Approves Award of Bids* | April 6, 2026* |

Construction Phase (Phase III):

- | | |
|----------------|------------------------|
| • Construction | June 2026 to July 2027 |
|----------------|------------------------|

Assessment Phase (Phase IV):

- | | |
|--|-----------------|
| • Declare costs to assess and order assessment roll/hearing* | September 2026* |
| • Assessment Hearing* | October 2026* |
| • Assessments levied to County | November 2026 |

**Milestones where City Council Actions/Resolutions are required.*

The schedule as shown above starts later than previous projects. As utility work is relatively minor, the schedule considers construction for summer months when traffic is generally lower.

Please contact me with any questions or comments concerning this proposal/agreement.

Sincerely,

SHORT ELLIOTT HENDRICKSON INC.

A handwritten signature in black ink, appearing to read "Chris Knutson", with a long horizontal flourish extending to the right.

Chris Knutson, PE
Project Manager/City Engineer
(Lic. MN)

cdk

Attachments

1. Supplemental Letter Agreement
2. Exhibit A1 – Hourly Basis

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Exhibit A-1

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.