



**SPRING LAKE PARK,
MINNESOTA**

**Proposal for
Engineering Services**

June 2, 2026

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Sent via Email Only

Dan Buchholtz
City Administrator
City of Spring Lake Park
1301 81st Avenue Northeast
Spring Lake Park, MN 55432

**RE: 250,000-Gallon Legged Water Tower "Able Street Tower"
500,000-Gallon Legged Water Tower "Arthur Street Tower"
Spring Lake Park, Minnesota**

Dear Mr. Buchholtz:

Thank you for considering KLM Engineering for your water tower rehabilitation projects. Choosing the right consultant is critical to protecting your investments, and KLM brings unmatched expertise and proven results to your projects.

We look forward to partnering with the City of Spring Lake Park and Stantec Engineering to deliver successful, cost-effective projects that stand the test of time.

Sincerely Yours,



KLM ENGINEERING, INC.

Dan Popehn
Director of Business Development
1976 Wooddale Drive, Suite 4
Woodbury, MN 55125
Cell: 612-743-3102
dpopehn@klmengineering.com

DISCLAIMER:

The information in this proposal is confidential, may be legally privileged, and is intended for the sole use of the City of Spring Lake Park and Stantec Engineering. Access to this proposal by another entity is not permitted. If you are not the intended recipient, any disclosure, copying, distribution of any action taken or committed in reliance on it is prohibited.

PROJECT TEAM CHART

Designed Specifically For:



PROJECT UNDERSTANDING

KLM Engineering, Inc. understands these projects to be the full reconditioning of the Able Street Water Tower and the Arthur Street Water Tower in Spring Lake Park, Minnesota. We understand that Stantec Engineering has been retained as the engineer of record and is the city engineer. KLM shall assist Stantec with these water tower projects. There were evaluations performed on each tower in 2022. At that time KLM gathered the necessary information and photos needed to complete a technical specification for these projects. KLM will develop robust technical specifications including drawings. Bidding assistance will be provided to Stantec throughout the bidding process. KLM and Stantec have worked together on many water tower projects, and we are confident these will be successful projects. We look forward to working with Spring Lake Park.

SCOPE OF SERVICES

1. SCOPE OF WORK

| Phase | Description |
|--------------------------|--|
| Specifications & Bidding | Includes up to 2 revisions of project specifications |

2. DESIGN (STANTEC)

The prime engineer will perform the following related specification services:

- ◆ Meet with the Owner to review plans and specifications.
- ◆ Produce preliminary and final copies of specifications.
- ◆ Provide updated cost estimates.
- ◆ Advertise specifications for bid.
- ◆ Facilitate mandatory pre-bid meeting (virtual).
- ◆ Include lettering and logo requirements.
- ◆ Respond in writing to bidder questions.
- ◆ Tabulate bid results for the Owner.
- ◆ Evaluate contractor proposals for compliance.
- ◆ Recommend the lowest qualified bidder(s) in writing.
- ◆ Prepare Notice of Award and forward contract agreement to Owner.

3. TECHNICAL SPECIFICATIONS (KLM)

Technical specifications include the following:

- ◆ Structure modifications, surface repairs, abrasive blasting, containment, disposal, dehumidification, coatings, safety, sterilization, and inspection.
- ◆ Photos of interior and exterior of tank.
- ◆ Drawings for structure repairs and modifications.
- ◆ Surface preparation requirements.
- ◆ Paint chip test results.

4. PROJECT SPECIFICATIONS

Specifications will include up to two revisions and cover:

- ◆ Advertisement for Bids – Legal advertisement requirements and project description.
- ◆ Instructions to Bidders – Scope of work, insurance, payments, completion time, qualifications, taxes, permits, bonds, and legal requirements.
- ◆ Bid Forms – Bid proposals, time frames, alternate bids, legal requirements, and qualification forms.
- ◆ Project Requirements – Project schedule, contract execution, meetings, quality assurance, liquidated damages, and technical requirements.
- ◆ Technical Specifications – Structure modifications, surface repairs, abrasive blasting, containment, disposal, dehumidification, coatings, safety, sterilization, and inspection.
- ◆ Supplemental Conditions – Amendments to General Conditions.
- ◆ General Conditions – Authority of Engineer, inspection, scope modifications, time extensions, insurance, and related items.
- ◆ Contract Documents – Agreement form between Owner and Contractor.
- ◆ Payment and Performance Bonds – Required per state law.
- ◆ Appendices – A: Photos, B: Drawings, C: Surface preparation requirements (AMPP SP0178-2007), D: Paint chip lead/chromium test results, E: Lettering and logo (provided by the Owner).

FEE SUMMARY

Fees are based on a 2026 engineering timeline.

A 3% annual escalation will be applied if engineering extends beyond 2026.

KLM Engineering Inc. Services

| | |
|--|--------------------|
| Specification and Bidding Assistance | <u>\$30,000.00</u> |
| TOTAL HOURLY, NOT TO EXCEED | \$30,000.00 |

NOTE: Additional engineering can be performed per our current fee schedule.

TERMS AND CONDITIONS

Below are KLM’s standard Terms and Conditions. The below Terms and Conditions are part of this Agreement between the City of Spring Lake Park and KLM Engineering, Inc., unless otherwise agreed to in writing by both parties.

AGREEMENT


This proposal is valid for sixty (60) days from the date of issuance. If the City of Spring Lake Park finds this proposal acceptable, please sign and return the signature page by email or mail. By signing and returning this page, you agree to the terms outlined in the entire proposal document.

This Agreement, between Spring Lake Park, Minnesota and KLM Engineering, Inc. is accepted by:

CITY OF SPRING LAKE PARK
1301 81st Avenue Northeast
Spring Lake Park, MN 55432

KLM ENGINEERING, INC.
1976 Wooddale Drive, Suite 4
Woodbury, MN 55125

Signature



Signature

Name

Dan Popehn

Name

Title

Director of Business Development

Title

Date

June 2, 2026

Date

We look forward to working with you.

Sincerely,

KLM ENGINEERING, INC.
Dan Popehn
Director of Business Development
1976 Wooddale Drive, Suite 4
Woodbury, MN 55125
Cell: 612-743-3102
Email: dpopehn@klmengineering.com

KLM ENGINEERING, INC. (KLM) **TERMS AND CONDITIONS**

1. **AGREEMENT.** The agreement between the parties when entered by the parties shall include the applicable referenced agreement documents (i.e., KLM proposal/Agreement) and shall include these KLM Terms and Conditions (the “Agreement”). The Agreement may not be modified except by mutual agreement in writing.
2. **ADDITIONAL SERVICES.** Additional work or services shall not be performed without a KLM executed change order or purchase order outlining the scope of additional work or services.
3. **KLM CLIENT RESPONSIBILITIES.** The KLM Client shall fully disclose to KLM its knowledge of the condition of the project structure(s), its past and present contents and shall provide KLM with full information regarding the requirements for the project; shall designate an individual to act on the KLM Client’s behalf regarding the project; and provide safe access to and at the project site. When reasonably requested by KLM, the KLM Client shall furnish the services of other consultants including, but not limited to engineers and insurance representatives. The KLM Client shall test for pollution and hazardous materials when required by law or as requested by KLM. The KLM Client shall provide KLM with all necessary permits and other authorizations.
4. **SAFETY.** KLM shall be responsible for the safety of KLM personnel at the project site. The KLM Client or other persons shall be responsible for the safety of all other persons at the project site. The KLM Client shall inform KLM of any known or suspected hazardous materials or unsafe conditions at the project site. If, during the course of the KLM services, such materials, or conditions are discovered at the project site, KLM reserves the right to take measures to protect KLM personnel and equipment or to immediately terminate KLM services. The KLM Client agrees to be responsible for, and agrees to pay, any such additional protection costs. Upon such discovery by KLM, KLM agrees to use commercially reasonable efforts to notify the KLM Client in writing, of hazardous materials or unsafe conditions regarding the project site.
5. **HAZARDOUS MATERIALS.** Unless otherwise agreed to in the scope of work with the KLM Client, KLM has no responsibility for the discovery, presence, handling, removal or disposal of or exposure of persons to hazardous materials at the project site. To the full extent permitted by the law, the KLM Client shall defend, indemnify, and hold harmless KLM, its employees and representatives from all claims, including costs and attorney fees, arising out of the presence of hazardous materials or exposure to the same on the job site.
6. **SITE ACCESS AND RESTORATION.** The KLM Client will provide KLM and its representatives with safe and legal project site access. It is understood by the KLM Client that in the normal course of KLM providing its services and work, some nominal damage to the project site may occur. KLM agrees to take reasonable commercial precautions to minimize such damage, if any. Restoration of the project site, if any, is the responsibility of the KLM Client, unless otherwise agreed to in writing in the scope of work.

7. **KLM LIMITED WARRANTY AND DISCLAIMER.** KLM will perform services consistent with the standard of care and skill normally performed by other like firms in the industry and profession at the time of this service and in the geographic area of the project. **EXCEPT AS EXPRESSLY STATED IN THIS SECTION, THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, PERTAINING TO THE PRODUCTS AND SERVICES SOLD UNDER THIS AGREEMENT. KLM DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL KLM BE LIABLE TO THE KLM CLIENT, ITS AGENTS, REPRESENTATIVES, EMPLOYEES, CUSTOMERS OR ANY OTHER THIRD PARTY, FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOSS OF USE, LOSS OF REVENUE OR LOSS OF PROFIT, IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR THE EXISTENCE, FURNISHING OR FUNCTIONING OF ANY ITEM OR SERVICES PROVIDED FOR IN THIS AGREEMENT OR FROM ANY OTHER CAUSE, INCLUDING WITHOUT LIMITATION CLAIMS BY THIRD PARTIES, EVEN IF KLM HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.**

8. **SCHEDULING.** Prior to KLM scheduling its services related to the project, the KLM Client shall furnish KLM with a written Agreement, purchase order or other written request for KLM services and shall give as much notice as reasonably possible in advance of the time when the KLM services are desired to commence. The KLM service schedule shall be mutually agreed upon by the parties in writing. If a KLM inspection is canceled or delayed after KLM personnel and/or equipment are in transit to the project site, then the KLM Client shall be billed, and the KLM Client agrees to pay for KLM time and expenses according to the then current KLM Fee Schedule for KLM time spent and KLM costs incurred. If KLM is unable to redirect KLM representatives to other third-party project sites on the canceled or delayed scheduled service day, at a minimum, the KLM Client will be billed and the KLM Client agrees to pay KLM for one (1) full day of KLM labor.

9. **INSURANCE.** KLM will maintain worker's compensation insurance and comprehensive general liability insurance. KLM will provide KLM Client with a certificate of insurance upon KLM Client's request.

10. **PAYMENT.** KLM will submit periodic invoices for KLM services provided and work performed. Invoices are due upon receipt. The KLM Client agrees to inform KLM of invoice questions or disputes within 10 business days of the invoice date. The KLM Client agrees to pay all undisputed KLM invoiced amounts within 45 days of the invoice date. The KLM Client agrees to pay interest on all overdue amounts at a rate of 1.5% per annum or the rate allowed by law, whichever is less, plus costs of collection, court costs, and reasonable attorney fees on all such amounts. If any undisputed invoice remains unpaid for 60 days, then KLM may, at its sole discretion, suspend or terminate services to the KLM Client without liability.

11. **INDEMNIFICATION.** KLM shall indemnify and hold harmless the KLM Client and its shareholders, directors, officers, members, governors and employees from liability, claims, losses, and damages arising out of or relating to the applicable Project, provided that such claims, costs, losses, or damages are attributable to bodily injury, sickness, disease, or death, or injury to, or destruction of tangible property, including the loss of use resulting therefrom to the extent caused by KLM's negligent acts or omissions.

The KLM Client shall indemnify and hold harmless KLM and its shareholders, directors, officers, members, governors and employees from liability, claims, losses, and damages arising out of or relating

to the applicable Project, provided that such claims, costs, losses, or damages are attributable to bodily injury, sickness, disease, or death, or injury to, or destruction of tangible property, including the loss of use resulting therefrom to the extent caused by the KLM Client's negligent acts or omissions. Further, the KLM Client shall indemnify and hold harmless KLM from all claims or losses arising out of the unauthorized use of KLM's Documents.

12. **LIMITATION OF LIABILITY. IN NO EVENT SHALL KLM OR THE KLM CLIENT BE LIABLE, ONE TO THE OTHER, FOR INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE FURNISHING, PERFORMANCE OR USE OF ANY PRODUCTS OR SERVICES PROVIDED PURSUANT TO THIS AGREEMENT.**
13. **DELAYS.** If KLM service or work delays are caused by the KLM Client, by third parties, strikes, natural causes, weather, or other circumstances beyond KLM's control, a reasonable time extension for performance of KLM services and work shall be granted, and KLM shall be entitled to and the KLM Client agrees to pay KLM an equitable fee adjustment.
14. **TERMINATION.** After seven (7) days written notice, either party may elect to terminate this Agreement. Notwithstanding the foregoing, the KLM Client agrees to pay for all KLM services provided and work performed through the date of termination. Notwithstanding the foregoing, the following sections shall survive the termination of this Agreement: Sections 5, 7, 10, 11, 12, 15, 16, 21 and 24.
15. **SEVERABILITY.** Any provisions of this Agreement later held to violate a law or regulation shall be deemed void, and all remaining provisions of the Agreement shall continue in full force and effect.
16. **KLM'S DOCUMENTS.** All reports, specifications, drawings and other documents furnished by KLM are part of KLM's services and work for the KLM Client and the same are for use only for the project (KLM Documents). KLM retains all ownership of said documents regardless of whether the project is completed. The KLM Client may retain copies of the KLM Documents for reference purposes. KLM does not represent or warrant that the KLM Documents are suitable for reuse on any extension of the project or on other projects. The KLM Client shall not use the KLM Documents without KLM's written consent.
17. **ASSIGNMENT.** KLM may not assign this Agreement to any other person unless written consent is obtained from the KLM Client.
18. **AMENDMENTS.** Any modification or amendment of to this Agreement shall require a written agreement signed by both Parties.
19. **NONDISCRIMINATION.** In the hiring of employees to perform work under this Agreement, KLM shall not discriminate against any person by reason of any characteristic or classification protected by state or federal law.
20. **GOVERNING LAW.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Minnesota without regard to or application of conflicts of law rules or principles. All

proceedings related to this Agreement shall be venued in **Washington County, Minnesota.**

21. **AUDIT.** Pursuant to **Minnesota Statutes, § 16C.05, Subdivision 5**, KLM agrees that the KLM Client, the State Auditor, or any of their duly authorized representatives at any time during normal business hours and as often as they may reasonably deem necessary (but under all circumstances not more often than once per calendar year), shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, or records which are pertinent to the accounting practices and procedures of KLM, and involve transactions relating to this Agreement.
22. **JOB SITE IMAGES, PHOTOGRAPHY AND VIDEO.** During the term of this Agreement and thereafter, KLM has the KLM Client's permission to take photographs or video of the project site for training, documentation, education or KLM promotional purposes. A signed Agreement that includes these KLM Terms and Conditions constitutes the KLM Client's written permission to KLM regarding the use of the items and information set forth in this section.
23. **WAIVER.** The waiver by either party of any breach or failure to comply with any provision of this Agreement by the other Party shall not be construed as or constitute a continuing waiver of such provision or a waiver of any other breach of or failure to comply with any other provision of this Agreement.
24. **HEADINGS.** Section headings used in this Agreement are for convenience only, have no legal significance, and in no way change the construction or meaning of the terms hereof.
25. **ENTIRE AGREEMENT.** This Agreement supersedes any prior or contemporaneous representations or agreements, whether written or oral, between the Parties and contains the entire agreement.

End of the KLM Terms and Conditions.

Rev 2022.11.23

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