

November 15, 2024

City of Mankato, MN
Water Resource and Recovery Facility (WRRF)
Disinfection & Digestion Improvements

Susan Arntz
City Manager
10 Civic Center Plaza
Mankato, MN 56001

Subject: Construction Administration Services

Dear Ms. Arntz:

Black & Veatch and Bolton & Menk are pleased to provide you with an enclosed scope of work for engineering services in full support of the Disinfection & Digester project at the City's WRRF. Since 2017, our engineering firms have been working together to develop and design this project for the City of Mankato and our team of experts are ready to deliver construction services.

Earlier this year, a contract was initiated with our team to provide construction related office-based engineering services for the first year of the project. The essence of the original contract was to provide support to the City as requested, for review of contractor submittals and answering contractor questions. The City was to provide all contractor management and field inspection services.

Scope of Work

The enclosed scope includes full construction related engineering services (office-based and field support) to deliver a successful project for the community. This proposed scope comprises a full suite of construction administration services as outlined in the attached document, and generally adds administration of the construction project, day to day contractor management, project management, shop drawing review, onsite construction observation, funding assistance, plant start-up, and project closeout.

Funding

We understand that although the City will be leading funding efforts, there are still items that our team will be handling throughout the process. We have included fees to assist the City, and because of the hourly nature of this agreement, only hours used will be invoiced to the City. To the extent City staff can take on more funding tasks, potential fee savings would be realized.

Operations Manual

At this time, the proposed scope does not include an Operations Manual, which is required at the conclusion of the project by the Minnesota Pollution Control Agency. We will work with the City as part of your annual operations budget to plan for this and complete portions as requested.



Proposed Costs

The following table summarizes our original fee and the additional services included with this scope for the full project.

Item	
Year 1 Office-based Construction Services	\$1,005,250
Year 2, 3 Office-based Construction Services	\$1,574,400
<i>Subtotal</i>	<i>\$2,579,600</i>
Funding Support	\$99,200
Resident Project Representative	\$1,810,400
Total	\$4,489,250

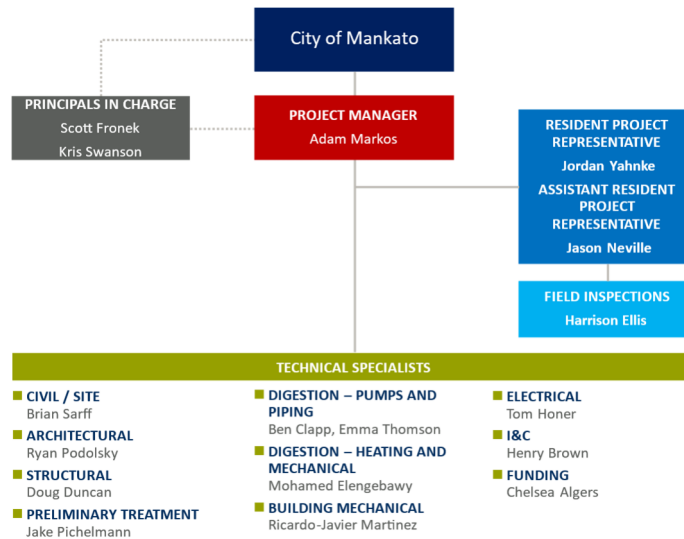
For a project of this complexity and magnitude, it is common to estimate that office-based engineering services as a percentage of construction is generally around 4%. Our proposed fee for office-based engineering is approximately 3.1%. Delivering this project below typical industry norms provides a competitive value demonstrating the history and knowledge our two companies bring to this project.

We understand the City is interested in providing funding through approximately the first year of construction. The following table includes annual costs for the three-years of construction.

Item	Cost	Duration (months)
Year 1 Construction Services (through Dec 2025)	\$2,325,000	17
Year 2 Construction Services (through Dec 2026)	\$1,782,000	12
Year 3 Construction Services (through mid-2027)	\$382,250	4
<i>Total</i>	<i>\$4,489,250</i>	<i>33</i>
Initial Contract	\$1,005,250	
Amendment for Year 1 Services through 2025	\$1,319,750	

Communication

In addition to the additional services for the project and value described above, we also wanted to include the organizational chart below to detail how our team will work with the City including the primary contacts for your staff on the project.



We have organized our team to provide the necessary technical services while also providing frequent and timely communications with the City. The main Mankato contact for the project will be Adam Markos as project manager. He will be responsible for the overall completion of our construction related services. For day-to-day construction related items onsite, Jordan Yahnke will be an additional point of contact. He will coordinate closely with Adam, will function as the primary contact for the Contractor's onsite construction crew, and will work with Harrison Ellis at the City so he can assist with construction related duties and provide value to the City. Additional staff are shown on the chart to understand the depth of the team and also provide secondary contacts for the City should you or your staff have additional questions or concerns. Scott and Kris's role will be to ensure the project always has the right resources, and we are committed to ensuring the project is moving forward in a positive manner.

We appreciate the confidence the City has placed in Black & Veatch and Bolton & Menk over many years, and we are excited to provide construction support on this significant project. If you have any questions on this amendment of services, please feel free to contact Scott at 952-896-0701 (froneksd@bv.com) or Kris at 507-380-3206 (Kristopher.Swanson@bolton-menk.com).

Sincerely,

Black & Veatch

Scott D. Fronek

Scott Fronek, PE
Client Director

Bolton & Menk

Kristopher J. Swanson

Kristopher J. Swanson, PE
Senior Principal Engineer

cc. Karl Keel, Interim Public Works Director

Enclosures