

EAST RANGE WATER BOARD

Regular Meeting

Thursday, March 20, 2024

City/Town Government Center

4:30 P.M.

Appointed Board Members for City of Aurora: Doug Gregor, Chairman of the Board; David Skelton; Dennis Schutte;

Appointed Board Members for the Town of White: Jon Skelton, Vice Chairman of the Board; Clark Niemi;

Other Team Members: Luke Heikkila (COA); Kimberly Berens (COA); Jodi Knaus (TOW); Jim Gentilini (COA); Joshua Stier (Bolton & Menk); Mia Thibodeau (Fryberger Law); Shannon Sweeney (David Drown Associates);

AGENDA

1. Call to Order/Roll Call
2. Consent Agenda:
 - a. Approval of February 1, 2024 Regular Meeting Minutes, February 14, 2024 Special Meeting Minutes; and February 28, 2024 Special Meeting Minutes
 - b. Treasurer's Report
 - c. Approval of Disbursements
 1. LMCIT Property Casualty Coverage Premium- \$1250.00
 2. Fryberger (Property Acquisition)- \$3,466.25
 3. Fryberger (Easement Agreement- \$2,988.75
 4. Fryberger (County Lease)- \$967.50
 5. Fryberger (Real Estate Matters)- \$2,670.00
 - d. Correspondence
 1. Copy of Letter sent to Miles Jensen, SEH on behalf of East Range Water Board
3. Legal Matters – Updates Including but not limited to:
 - a. Scenic Acres Land & Facility Title Clearance Status – Motion to Encourage Town to direct Fryberger Firm to Transfer Title interests to the Town
 - b. Creation of New Legal Entity Timeline & Guidance – Tabled to end of Project;
 - c. Resolution 2024-002 Authorizing City as Fiscal Agent (tabled from last month – new version reviewed by Mia)
 - d. St. Louis County Lease Amendments Checklist & Other Land Status Updates
 - e. Construction Management Phase Discussion – Expectations & Approval of Construction Management Agreement for Professional Services with Bolton & Menk – Enclosed
 - f. Approval of Construction Phase Assistance Professional Services Agreement with SEH - Enclosed
4. Guests – No requests received
5. Engineering Updates – Bolton & Menk
 - a. Funding Initiatives & Cumulative Accounting
 1. Notice of Award from EPA & Agreement
 2. Gregor Update on Testimony before the House Economic Development Committee (speech enclosed) for WIF Financing & PFA meeting updates
 3. Affordability Rate Reset
 - b. Engineering Work – March 2024 – Bolton & Menk 3/14/24 Project Updates letter
 1. Contract Ratification with Magney
 2. Contract Ratification with Utility Systems of America
 3. Technical Committee Report
 4. Appropriations Permit – DNR Review Status
 5. Project Certification

6. Contingency Agreement Status

7. Project Permits

8. Project Schedule

6. Community Outreach – Bolten & Menk Communications Plan Enclosed

7. Other Business

a. St. James Pit & Current Water Plant updates – Jim Gentilini

b. Hoyt Lakes Facility Plan Update – Invite to Next Board Meeting

8. Next Meeting Date: Wednesday, April 17, 2024 4:30 P.M.

9. Adjournment

EAST RANGE WATER BOARD
Monthly Meeting Minutes
Thursday, February 1, 2024 4:30 P.M.

City/Town Government Center

Appointed Board Members for City of Aurora: Doug Gregor, Chairman of the Board; David Skelton (remote via TEAMS); Dennis Schubbe;

Appointed Board Members for the Town of White: Jon Skelton, Vice Chairman of the Board; Clark Niemi;

Other Team Members: Luke Heikkila (COA); Kimberly Berens (COA); Jim Gentilini (COA); Mike Larson (SEH); Kevin Young (SEH); Mia Thibodeau (Fryberger Law); Bob Rutka (Resident), Bret Gunderson (Magney Construction); Bob Hanson (COA Councilor); Richard Hess (COA Councilor); Edward Kippley (TOW Board Member); Craig Antilla (TOW Board Member); John Miklausich (COA Councilor)

AGENDA

1. A board meeting was called to order by Chairman Gregor at 4:34 PM
2. Consent Agenda:
 - a. Approval of January 17, 2024 Regular Meeting Minutes
 - b. Treasurer's Report – Fund Balances Total: \$262,007.03
 - c. Approval of Disbursements - None
 - d. Correspondence – None

MOTION BY JON SKELTON, SUPPORTED CLARK NIEMI TO ACCEPT THE CONSENT AGENDA AS PRESENTED.

Ayes: Gregor, J. Skelton, D. Skelton, Schubbe, Niemi

Nays:

Abstain:

MOTION CARRIED UNANIMOUSLY

3. Legal matters – Updates including but not limited to:
 - a. Scenic Acres Land & Facility Title Clearance Status – Tabled until further notice.
 - b. Creation of New Legal Entity Timeline & Guidance – Tabled until end of project.

Land acquisition status update by Mia Thibodeau:

- Rosa has proceeded, doc submitted for recording, deed had a notary block due to signing in wrong block, but this has been fixed and is in process of getting filed.
- The water intake site is leased and ready for the project.
- The remainder of project does not need any additional land acquisitions or leases.

4. Engineering Updates – SEH
 - a. Funding Initiatives & Cumulative Accounting – Updates by Mike Larson
 - i. PFA Resolution for Water Plant Loan & Rate Structure Review
 1. City of Aurora Resolution 2024-10
 2. Town of White Resolution 2024-08
 - b. Engineering Work – Updates for February 2024
 - i. Awarding of Bids

MOTION BY JON SKELTON, SUPPORTED BY DENNIS SCHUBBE THE FOLLOWING MOTION:

MOVED, that upon consideration of bidding information provided in the Project Engineer's report of November 10, 2023, signed by Miles Jensen on behalf of Short Elliott Henrickson Inc., and other pertinent information presented to the Board, the low bidder for construction of the Project's Water Treatment plant, Magney Construction Inc. with a bid of \$ 15,997,800.00 as submitted on November 6, 2023, is hereby accepted and the contract for such work is hereby awarded to that company. The Board's chair and co-chair are authorized

jointly on behalf of the Board to execute any and all documents deemed necessary to contract for such construction services with Magney Construction Inc.

Ayes: Gregor, J. Skelton, D. Skelton, Schubbe, Niemi

Nays:

Abstain:

MOTION CARRIES UNANIMOUSLY

MOTION BY DENNIIS SCHUBBE, SUPPORTED BY CLARK NIEMI THE FOLLOWING MOTION:

MOVED, that upon consideration of bidding information provided in the Project Engineer's report of November 10, 2023, signed by Miles Jensen on behalf of Short Elliott Henrickson Inc., and other pertinent information presented to the Board, the low bidder for construction of the Project's Raw and Finished Water Mains, **Utility Systems of America \$ 4,284,732.00**, as submitted on November 6, 2023, is hereby accepted and the contract for such work is hereby awarded to that company. The Board's chair and co-chair are authorized jointly on behalf of the Board to execute any and all documents deemed necessary to contract for such construction services with Utility Systems of America.

Ayes: Gregor, J. Skelton, D. Skelton, Schubbe, Niemi

Nays:

Abstain:

MOTION CARRIES UNANIMOUSLY

MOTION BY DOUG GREGOR, SUPPORTED BY JON SKELTON THE FOLLOWING MOTION:

MOVED, that upon consideration of bidding information provided in the Project Engineer's report of November 10, 2023, signed by Miles Jensen on behalf of Short Elliott Henrickson Inc., and other pertinent information presented to the Board, the low bidder for construction of the Project's Raw Water Intake and Pumping Station facilities, **Magney Construction Inc. with a bid of \$ 9,147,000** as submitted on November 6, 2023, is hereby accepted and the contract for such work is hereby awarded to that company. The Board's chair and co-chair are authorized jointly on behalf of the Board to execute any and all documents deemed necessary to contract for such construction services with Magney Construction Inc.

Ayes: Gregor, J. Skelton, D. Skelton, Schubbe, Niemi

Nays:

Abstain:

MOTION CARRIES UNANIMOUSLY

- ii. Delegation Committee Meeting Updates – Nothing discussed
- iii. Design Updates – nothing discussed
- iv. Appropriations Permit – DNR Review Status – Pending
- v. Federal Environment Review Status
 - 1. EPA has completed their review
 - 2. Public comment session ending soon
- vi. Project Certification
 - 1. MDH has certified the project
 - 2. EPA expected to certify the project after the public comment session has ended
- vii. Contingency Agreement Status
- viii. Project Permits – all permits/approvals to begin construction appear secured or near secured:
 - 1. DLI – Raw Water Intake and Pump Station – Approval Received
 - 2. City BO - Raw Water Intake and Pump Station – reviewed and approved.
 - 3. County Work in Roadway - secured.
 - 4. MNDOT Permit – secured.
 - 5. MDH & EPA: See #3 above.
 - 6. Wetland permit - secured.
 - 7. NPDES – Contractors are responsible for obtaining permits.
 - 8. Building Permit:

- a. RWPS - Contractor responsible for obtaining permit.
- b. WTP – Contractor responsible for obtaining permit.

ix. Project Schedule

5. Community Outreach

6. Other Business

- a. St. James Pit & current water plant updates – Jim Gentilini – nothing discussed.

7. Next Meeting Date: Wednesday February 14, 2024, 4:30 P.M.

- a. To discuss consideration for Construction Management

8. Adjournment

MOTION BY JON SKELTON, SUPPORTED BY CLARK NIEMI TO ADJOURNE AT 5:44 PM.

Ayes: Gregor, J. Skelton, D. Skelton, Schubbe, Niemi

Nays:

Abstain:

MOTION CARRIES UNANIMOUSLY

EAST RANGE WATER BOARD

Special Meeting Minutes

Wednesday, February 14, 2024

City/Town Government Center

4:30 P.M.

Appointed Board Members for City of Aurora Present: Doug Gregor, Chairman of the Board; David Skelton (Zoom); Dennis Schubbe

Appointed Board Members for the Town of White Present: Jon Skelton; Clark Niemi;

Other Team Members: Lucas Heikkila (COA); Kimberly Berens (COA); Mike Larson; Jim Gentilini;

Others Present: Richard Hess, Craig Anttila,

1. Gregor called the meeting to order at 4:30 p.m. and voiced rules of civility during the difficult conversations about to take place. February 1, 2024 the Project hit a milestone not to lose sight of and this meeting is to take stock of where the Project is and what steps are needed to move forward with implementing the decisions made to enlist the services of the selected contractors; begin the pursuit of additional funds; to secure the construction management services; and to prepare for community meeting and communication updates. Today's objectives are to agree upon a common sense of goals to carry us through discussions and actions. The end-product water system should be at or below projected cost, reflect high quality workmanship and materials, be completed on time, and be characterized by good communication between project team members and the community. We are at a new stage of the Project. Gregor feels the duty of the Board is to do what is best to enable the Project to succeed consistent with the directives given to the Board when the Joint Powers Agreement was put into place and we need to be respectful of each other and let the facts and our experiences collectively guide us.
2. The Board met to discuss the construction management phase for the Water Project and what those services include; currently no agreement is in place for this phase of the Project. Two potential firms have been suggested to be awarded the Construction Management phase of the Project, SEH and Bolton & Menk. City Administrator, Lucas Heikkila voiced concerns regarding the performance of the current engineering team and recommended switching firms. His grievances are only with the engineering team, not the financial team for the Project. The Board acknowledged switching firms at this point in the Project is very unusual but it can be done and has been done on other similar projects. Heikkila recommended having an interview process between the two companies. The Water Board was not aware of any of the issues Heikkila brought forward and voiced concern about not hearing about them sooner. Synergy is important. Moving forward, effective communication is extremely important between the Board, staff, contractors – everyone involved in the Project. The Board needs to proceed in a professional manner. The Board needs to be copied on all correspondence pertinent to this Project. The Board should have met with SEH and set the expectations up front and given them the opportunity to defend themselves. The Board needs to be transparent and figure out how to move forward. All decisions need to be Board driven.

IT WAS MOVED BY DAVID SKELTON, SUPPORTED BY JON SKELTON TO SCHEDULE A SPECIAL MEETING ON FEBRUARY 26, 2024 AT 4:30 P.M. AT THE CITY/TOWN GOVERNMENT CENTER WITH SEH REQUESTING SEALED PROPOSALS WITH PROJECT COST STATEMENTS INCLUDING SCOPE OF SERVICES AND FEES FOR THE CONSTRUCTION MANAGEMENT SERVICES FOR THE JOINT WATER PROJECT WITH PERSONNEL PRESENT IN AN INTERVIEW SETTING FORMAT INCLUDING A DIALOG SESSION LASTING APPROXIMATELY AN HOUR. AYES 5, NAYES 0. MOTION CARRIED

IT WAS MOVED BY DAVID SKELTON, SUPPORTED BY CLARK NIEMI TO SCHEDULE A SPECIAL MEETING ON FEBRUARY 28, 2024 AT 4:30 P.M. AT THE CITY/TOWN GOVERNMENT CENTER WITH BOLTON & MENK REQUESTING SEALED PROPOSALS WITH PROJECT COST STATEMENTS INCLUDING SCOPE OF SERVICES AND

FEEES FOR THE CONSTRUCTION MANAGEMENT SERVICES FOR THE JOINT WATER PROJECT WITH PERSONNEL PRESENT IN AN INTERVIEW SETTING FORMAT INCLUDING A DIALOG SESSION LASTING APPROXIMATELY AN HOUR WITH THE PROPOSAL REMAINING SEALED UNTIL AFTER THE SECOND FIRMS INTERVIEW. AYES 5, NAYES 0. MOTION CARRIED

IT WAS MOVED BY JON SKELTON, SUPOPRTED BY DENNIS SCHUBBE TO REVIEW THE SEALED PROPOSALS AND FINANCIALS PRESENTED BY THE TWO FIRMS ON FEBRUARY 28, 2024 AFTER THE SECOND INTERVIEW IS COMPLETED. AYES 5, NAYES 0; MOTION CARRIED

Heikkila will notify both firms of the meetings.

3. Adjournment

IT WAS MOVED BY CLARK NIEMI, SUPPORTED BY DENNIS SCHUBBE TO ADJOURN AT 6:07 P.M. AYES 5, NAYES 0; MOTION CARRIED

RESPECTFULLY SUBMITTED,

JODI KNAUS, ADMINISTRATIVE RECORDER

EAST RANGE WATER BOARD
Special Meeting Minutes
Wednesday, February 28, 2024
City/Town Government Center
4:30 P.M.

Appointed Board Members for City of Aurora Present: Doug Gregor, Chairman of the Board; David Skelton (Zoom); Dennis Schubbe
Appointed Board Members for the Town of White Present: Jon Skelton; Clark Niemi;
Other Team Members: Lucas Heikkila (COA); Jim Gentilini;
Others Present: Richard Hess, Brian Gulden, Josh Stier, Jacob Crispo

1. Gregor called the meeting to order at 4:30 p.m.
2. Bolton and Menk representatives Brian, Josh, and Jacob presented to the Board their Construction Management Services proposal and how the transition would take place. They would be an extension of staff, part of the team helping the Board achieve the goals of the Project. Value Engineering Services would get the team familiar with the Project. Jon Skelton would like the Board to be copied on all correspondence. The discussion of financing for the Project and those services was discussed. Community Relations for the Project is very important and they will be providing a Public Engagement Plan in the next few weeks. Their services provided are charged an hourly rate. They were informed of the Project Labor Agreement and will work with staff for all billing, invoicing, and review of all financial documents. Heikkila will be focusing on the finance piece this point forward. Metering and decommissioning the current plant are not a part of this phase in the Project and need to be discussed at some point. The Board thanked the representatives for coming. They left the meeting.
3. Discussion of the Construction Management Services proposal took place. The SEH hourly services proposal letter was reviewed and will be placed on file. Gregor and Jon Skelton will respond to SEH in writing in the form of a letter. They declined to interview.

IT WAS MOVED BY DAVID SKELTON, SUPPORTED BY JON SKELTON TO PROCEED WITH CONTRACTING WITH BOLTON AND MENK AS THE CONSTRUCTION MANAGEMENT FIRM FOR THE EAST RANGE WATER PROJECT AND ACCEPTING THE PROPOSAL PRESENTED FOR CONSTRUCTION MANGEMENT SERVICES MOVING FORWARD AND BOLTON AND MENK WILL PREPARE A CONTRACT AND PRESENT IT TO THE BOARD FOR APPROVAL. AYES 5, NAYES 0. MOTION CARRIED

IT WAS MOVED BY DENNIS SCHUBBE, SUPPORTED BY DAVID SKELTON APPOINTING THE TECHNICAL COMMITTEE MEMBERS TO INCLUDE DAVID SKELTON, JIM GENTILINI, CLARK NIEMI, AND LUCAS HEIKKILA MOVING FORWARD. AYES 5, NAYES 0. MOTION CARRIED

4. Resolution 2024-002 Authorizing City of Aurora as Fiscal Agent for the Project needs to be reviewed by Fryberger Law.
IT WAS MOVED BY GREGOR, SUPPORTED BY JON SKELTON TO TABLE TO NEXT MONTHS MEETING ON MARCH 20, 2024. AYES 5, NAYES 0; MOTION CARRIED
5. Adjournment
IT WAS MOVED BY CLARK NIEMI, SUPPORTED BY DENNIS SCHUBBE TO ADJOURN AT 5:42 P.M. AYES 5, NAYES 0; MOTION CARRIED

**RESPECTFULLY SUBMITTED,
JODI KNAUS, ADMINISTRATIVE RECORDER**

2.D

ERWB - Interim Financing

Revenue

	DATE	INVOICE #	VENDOR	DESCRIPTION	
Beginning Balance	7/22/2021		First Independent Bank	Interim Financing	\$ 1,000,410.00
Ending Balance					\$ 1,000,410.00

Disbursements

	DATE	INVOICE #	VENDOR	DESCRIPTION	
	7/3/2023	23692735.00-3	BARR	Embarrass Pit Groundwater Model Update	\$ 6,141.50
	7/31/2023	STERWB-0623	APG	Ad for Bids	\$ 29.82
	8/3/2023	266867	Range Office	Paper for save the date	\$ 90.55
	8/14/2023	451694	SEH	ERWB Tasks 2-4	\$ 2,265.00
	8/17/2023	08.17.2023 kjb	Park State Bank - Dollar General	ERWB Public Mtg Supplies	\$ 34.25
	8/24/2023	08.24.2023 kjb	Park State Bank - Ogami	ERWB Public Mtg Supplies	\$ 133.14
	8/30/2023	08.30.2023 kjb	Park State Bank - Ogami	ERWB Public Mtg Supplies (refund sales tax)	\$ (9.14)
	9/5/2023	MT80000979-0823 ERWB	APG	Ad for Bids	\$ 22.35
	9/11/2023	23692735.00-4	BARR	Embarrass Pit Groundwater Model Update	\$ 494.50
	9/13/2023	23-002	Steve Thorp	Plan Review plus insurance	\$ 3,275.00
	9/15/2023	453261	SEH	ERWB Tasks 2-4	\$ 22,650.00
	9/27/2023	1502-ERWB	East Range Times	Community Invite Inserts	\$ 300.00
	10/13/2023	455171	SEH	ERWB Tasks 2-4	\$ 11,325.00
	10/31/2023	STERWB-1023	APG	Project Bld Ads	\$ 181.17
	11/6/2023	456114	SEH	ERWB Tasks 2-4	\$ 11,442.00
	9/30/2021	2909109	NTS	Drilling	\$ 6,850.00
	12/31/2022	2022	LMCIT	Reimbursement Insurance Premium	\$ (7.00)
	12/31/2022		Employee Wages, FICA, & Medicare	2022 Wages, FICA and Medicare	\$ 1,158.11
	10/31/2023		Employee Wages, FICA, & Medicare	2023 Wages, FICA and Medicare	\$ 839.74
	11/30/2023		Employee Wages, ICA and Medicare	November 2023	\$ 64.60
	12/14/2023	22438.000005.12312	Fryberger, Buchanan, Smith & Frederick	Easement Agreement	\$ 17,365.46
	12/14/2023	2023	LMCIT	Reimbursement Insurance Premium	\$ (9.00)
	12/18/2023	458867	SEH	ERWB Tasks 2-4	\$ 2,058.00
	12/31/2023		Employee Wages, FICA, & Medicare	December 2023	\$ 64.60
	1/31/2024		Employee Wages, FICA, & Medicare	January 2024	\$ 64.60
	2/28/2024		Insurance Premium		\$ 1,250.00
	2/28/2024		Employee Wages, FICA, & Medicare	February 2024	\$ 129.18
	3/11/2024	11707.000016.12403	Fryberger, Buchanan, Smith & Frederick	Property Acquisition	\$ 3,466.25
	3/14/2024	22438.000005.12403	Fryberger, Buchanan, Smith & Frederick	Easement Agreement	\$ 2,988.75
	3/14/2024	22438.000003.12403	Fryberger, Buchanan, Smith & Frederick	County Lease	\$ 967.50
	3/14/2024	22438.000000.12403	Fryberger, Buchanan, Smith & Frederick	Real Estate Matters	\$ 2,670.00

Total Disbursements \$ 822,007.21

Ending Balance as of 02.01.2024 \$ 178,402.79

Biwabik Fund beginning balance 10.21.2021 \$ 129,839.79

	DATE	INVOICE #	VENDOR	DESCRIPTION	
	1/1/2022		First Independent Bank - Russell	Interest Payment	\$ 6,198.62
	6/1/2022		First Independent Bank - Russell	Interest Payment	\$ 7,017.30
	1/1/2023		First Independent Bank - Russell	Interest Payment	\$ 7,017.00
	6/1/2023		First Independent Bank - Russell	Interest Payment	\$ 7,017.00
	4/1/2023	22438.000000.12303	Fryberger, Buchanan, Smith & Frederick	Legal Matter	\$ 3,159.41
	12/1/2023		First Independent Bank - Russell	Interest Payment	\$ 7,017.00
	11/15/2023		Missing invoices from original tracking	SEH, Mesabi Bituminous, Costin, Building Rescue	\$ 20,280.90

Biwabik Fund ending balance as of 02.01.2024 \$ 72,132.56

TOTAL ENDING BALANCE Biwabik and Interim Financing combined as of 02.01.2024 \$ 250,535.35

Z.d.



East Range Water Board

16 W. 2nd Ave. N.

P.O. Box 160

Aurora, MN 55705

Phone: (218) 229-2614

E-mail: info@ci.aurora.mn.us

Fax: (218) 229-3198

March 4, 2024

Miles Jensen
Principal/Water Market Leader
Short Elliott Hendrickson
615 9th Street North
Virginia, MN 55792

Dear Miles:

We are in receipt of your letter of February 21 in which you notified the Water Board that your firm was withdrawing from consideration to become the construction management firm for the Water Project construction phase. After so many years of working with the City, Town and Water Board to develop the Project engineering plans and conduct the bidding processes, that decision could not have been an easy one for your firm to make.

The other Project team members and your firm's Project team have confronted and overcome many challenges over the past nine plus years in bringing this Project to the point of construction and in helping to solicit the funding needed to finance the work. Back in 2015, we are sure no one would have thought that the road ahead would be as long as it was and that the costs of the required facilities would have escalated to such an extent. We should all take pride in the fact that this new East Range water system is now poised to become a reality. Generations over the course of the 21st Century will benefit from the foundations that have been laid. The Board extends its heartfelt appreciation to you and your SEH team members for all of the conscientious work, professional talents and collective perseverance that your team has contributed to this Project.

The Water Board last Wednesday held a special meeting to interview the firm of Bolton & Menk for the role of construction managers for the Project. Following the very extensive interview, the Board took action to approve contracting with Bolton & Menk to provide those construction management services for the Project. A contract will be approved at the Board's next regular

meeting on March 20. The contact information for Bolton & Menk's team members is attached for your future reference. As you are aware, the work product that your firm produced is owned by the Project's Board and its member entities. In your letter you indicated that your firm was open to entering into a contract arrangement to provide services on an hourly basis to assist in the transition to the construction process and for other tasks that may be required during the construction process and preparations for it. Jodi, Luke and Bolton & Menk's project leader will be in contact with you to arrange for those services and to facilitate conveyance of the Project engineering data. We also want to assure you that your firm will receive an invitation to participate in any groundbreaking ceremony and due mention of your firm's contributions in any media items leading up to that event.

Thank you for all that you have done for this Project,

Sincerely,



Douglas Gregor
Chairman



Jon Skelton
Vice Chairman

Enclosure – B & M project team contact info

3.e

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement, made this 13th day of March, 2024, by and between EAST RANGE WATER BOARD, 16 West 2nd Avenue North, Aurora, MN 55705, ("CLIENT"), and BOLTON & MENK, INC., 4960 Miller Trunk Highway, Suite 350, Duluth, MN 55811, ("CONSULTANT").

WITNESS, whereas the CLIENT requires professional services in conjunction with WATER TREATMENT AND SUPPLY IMPROVEMENTS, VALUE ENGINEERING AND CONSTRUCTION SERVICES ("Project") and whereas the CONSULTANT agrees to furnish the various professional services (the "Services"), including Basic Services and Additional Services as defined in Section I, as requested by the CLIENT.

NOW, THEREFORE, in consideration of the mutual covenants and promises between the parties hereto, it is agreed:

SECTION I – CONSULTANT'S SERVICES

- A. The CONSULTANT agrees to perform the various Basic Services in connection with the Project as described in Exhibit I.
- B. Upon mutual agreement of the parties, professional services in addition to the Basic Services (the "Additional Services") may be authorized as described in Paragraph IV.B, and when so authorized, shall be included with the Services to be provided under this Agreement.

SECTION II - THE CLIENT'S RESPONSIBILITIES

- A. The CLIENT shall promptly compensate the CONSULTANT for the Services in accordance with Section III of this Agreement.
- B. The CLIENT shall place any and all previously acquired information related to the Project in its custody at the disposal of the CONSULTANT for its use. Such information shall include, but is not limited to: boundary surveys, topographic surveys, preliminary sketch plan layouts, building plans, soil surveys, abstracts, deed descriptions, tile maps and layouts, aerial photos, utility agreements, environmental reviews, and zoning limitations. The CONSULTANT may rely upon the accuracy and sufficiency of all such information in performing services unless otherwise instructed, in writing, by CLIENT.
- C. The CLIENT will guarantee access to and make all provisions for entry upon public portions of the project and reasonable efforts to provide access to private portions and pertinent adjoining properties.
- D. The CLIENT will give prompt notice to the CONSULTANT whenever the CLIENT observes or otherwise becomes aware of any defect in the proposed project.
- E. The CLIENT shall designate a liaison person to act as the CLIENT'S representative with respect to services to be rendered under this Agreement. Said representative shall have the authority to transmit instructions, receive instructions, receive information, interpret and define the CLIENT'S policies with respect to the project and CONSULTANT'S services.
- F. The CONSULTANT'S services do not include legal, insurance counseling, accounting, independent cost estimating, financial advisory or "municipal advisor" (as described in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act 2010 and the municipal advisor registration rules issued by the SEC) professional services and the CLIENT shall provide any such services as may be required for completion of the Project described in this Agreement.

- G. The CLIENT will obtain any and all regulatory permits required for the proper and legal execution of the Project. CONSULTANT will assist CLIENT with permit preparation and documentation to the extent described in Exhibit I.
- H. The CLIENT may hire, at its discretion, when requested by the CONSULTANT, an independent test company to perform laboratory and material testing services, and soil investigation that can be justified for the proper design and construction of the Project. The CONSULTANT shall assist the CLIENT in selecting a testing company. Payment for testing services shall be made directly to the testing company by the CLIENT and is not part of this Agreement. If CLIENT elects not to hire an independent test company, CLIENT shall provide CONSULTANT with guidance and direction on completing those aspects of design and construction that require additional testing data.

SECTION III - COMPENSATION FOR SERVICES

A. FEES.

1. The CLIENT will compensate the CONSULTANT in accordance with the Schedule of Fees for the time spent by CONSULTANT'S personnel in performance of the Services. Total fees for the Services are estimated at \$1,550,000. Should total fees be above the estimated amount, the CLIENT shall be notified. See the attached Schedule 1 for Schedule of Fees applicable to this Agreement.
2. The preceding Schedule of Fees shall apply for services provided through December 31, 2024. Hourly rates may be adjusted by CONSULTANT, in consultation with CLIENT, on an annual basis thereafter to reflect reasonable changes in its operating costs and other market factors. Adjusted rates will become effective on January 1st of each subsequent year.
3. Rates and charges do not include sales tax. If such taxes are imposed and become applicable after the date of this Agreement CLIENT agrees to pay any applicable sales taxes.
4. The rates in the Schedule of Fees include labor, general business and other normal and customary expenses associated with operating a professional business. Unless otherwise agreed in writing, the above rates include vehicle and personal expenses, mileage, telephone, survey stakes and routine expendable supplies; and no separate charges will be made for these activities and materials.
5. Additional Services as outlined in Section I.B will vary depending upon project conditions and will be billed on an hourly basis at the rate described in Section III.A.1.
6. Expenses required to complete the agreed scope of services or identified in this paragraph will be invoiced separately, and include but are not limited to large quantities of prints; extra report copies; out-sourced graphics and photographic reproductions; document recording fees; special field and traffic control equipment rental; outside professional and technical assistance; geotechnical services; and other items of this general nature required by the CONSULTANT to fulfill the terms of this Agreement. CONSULTANT shall be reimbursed at cost plus an overhead fee (not-to-exceed 10%) for these Direct Expenses incurred in the performance of the work.
7. The total fees identified in Paragraph III.A.1 include fees for the CONSULTANT'S subconsultants. CONSULTANT shall be entitled to reimbursement of cost plus an overhead fee (not-to-exceed 10%) for these subconsultant Direct Expenses.

Commented [ABT1]: Unknown. High?

Commented [ABT2]: Unknown. High?

B. PAYMENTS AND RECORDS

1. The payment to the CONSULTANT will be made by the CLIENT upon billing at intervals not more often than monthly at the herein rates and terms.

2. If CLIENT fails to make any payment due CONSULTANT for Services and expenses within 45 days after date of the CONSULTANT'S invoice, a service charge of ~~one and one-half percent (1.5%) per month or the maximum rate permitted by law, whichever is less, will be charged on any unpaid balance.~~
3. In addition to the service charges described in preceding paragraph, if the CLIENT fails to make payment for Services and expenses within 60 days after the date of the invoice, the CONSULTANT may, upon giving seven days' written notice to CLIENT, suspend Services and withhold project deliverables due under this Agreement until CONSULTANT has been paid in full for all past due amounts for Services, expenses and charges, without waiving any claim or right against the CLIENT and without incurring liability whatsoever to the CLIENT.
4. Documents Retention. The CONSULTANT will maintain records that reflect all revenues, costs incurred and the Services provided in the performance of the Agreement. The CONSULTANT will also agree that the CLIENT, State, or their duly authorized representatives may, at any time during normal business hours and as often as reasonably necessary, have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., and accounting procedures and practices of the CONSULTANT which are relevant to this Contract for a period of six years.

Commented [ABT3]: Note late fee

SECTION IV – GENERAL

- A. STANDARD OF CARE. Professional services provided under this Agreement will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of the CONSULTANT'S profession currently practicing under similar conditions. No warranty, express or implied, is made.
- B. CHANGE IN PROJECT SCOPE. In the event the CLIENT changes or is required to change the scope or duration of the Project from that described in Exhibit I, and such changes require Additional Services by the CONSULTANT, the CONSULTANT shall be entitled to additional compensation at the applicable hourly rates. To the fullest extent practical, the CONSULTANT shall give notice to the CLIENT of any Additional Services, prior to furnishing such Additional Services. The CONSULTANT shall furnish an estimate of additional cost, prior to authorization of the changed scope of work and this Agreement will be revised in writing.
- C. LIMITATION OF LIABILITY
 1. Liability of CONSULTANT. CONSULTANT shall indemnify and hold harmless CLIENT from losses, damages, and judgments arising from third-party claims or actions relating to the Project only to the extent caused by the negligent acts, errors or omissions (whether in the performance of professional services or otherwise) of CONSULTANT or CONSULTANT'S employees, agents, or subconsultants occurring during the scope of CONSULTANT'S work on the Project, and provided that any such claim, action, loss, damages, or judgment is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property. This indemnification shall not apply to claims for consequential damages, lost revenues, increased expense or lost profits, nor to any claim for punitive or exemplary damages. This indemnification shall include reimbursement of CLIENT'S reasonable attorneys' fees and expenses of litigation, but only to the extent that defense is insurable under CONSULTANT'S comprehensive general liability and professional errors and omissions insurance policies. This indemnification shall not apply to third-party claims or actions for consequential damages, lost revenues, increased expense or lost profits, nor to any claim for punitive or exemplary damages.
 2. ~~Intentionally Omitted. Liability of Client. To the fullest extent permitted by law and subject to the maximum limits of liability set forth in Minnesota Statutes Section 466.04, CLIENT shall indemnify, defend and hold harmless CONSULTANT from losses, damages, and judgments (including reasonable attorneys' fees and expenses of litigation) arising from third-party claims or actions relating to the Project, provided that any such claim, action, loss, damages, or judgment is attributable to bodily injury, sickness, disease, or death, or to injury~~

~~to or destruction of tangible property, but only to the extent caused by the acts or omission of CLIENT or CLIENT'S employees, agents, or other consultants. This indemnification shall not apply to claims for consequential damages, lost revenues, increased expense or lost profits, nor to any claim for punitive or exemplary damages.~~

3. ~~Intentionally Omitted. To the fullest extent permitted by law, CLIENT and CONSULTANT waive against each other, and the other's employees, officers, directors, members, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to this Agreement, from any cause or causes. CLIENT waives all claims against individuals involved in the services provided under this Agreement and agrees to limit all claims to the CONSULTANT's corporate entity.~~
4. Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the CLIENT or the CONSULTANT. The CONSULTANT'S services under this Agreement are being performed solely for the CLIENT'S benefit, and no other entity shall have any claim against the CONSULTANT because of this Agreement or the performance or nonperformance of services provided hereunder.

D. INSURANCE

1. The CONSULTANT agrees to maintain, at CONSULTANT'S expense a commercial general liability (CGL) and excess or umbrella general liability insurance policy or policies insuring CONSULTANT against claims for bodily injury, death or property damage arising out of CONSULTANT'S general business activities. The general liability coverage shall provide limits of not less than \$2,000,000 per occurrence and not less than \$2,000,000 general aggregate. Coverage shall include Premises and Operations Bodily Injury and Property Damage; Personal and Advertising Injury; Blanket Contractual Liability; Products and Completed Operations Liability.
2. The CONSULTANT also agrees to maintain, at CONSULTANT'S expense, a single limit or combined limit automobile liability insurance and excess or umbrella liability policy or policies insuring owned, non-owned and hired vehicles used by CONSULTANT under this Agreement. The automobile liability coverages shall provide limits of not less than \$1,000,000 per accident for property damage, \$2,000,000 for bodily injuries, death and damages to any one person and \$2,000,000 for total bodily injury, death and damage claims arising from one accident.
3. CLIENT shall be named Additional Insured for the above CGL and Auto liability policies, to the extent permitted by CONSULTANT'S insurers.
4. The CONSULTANT agrees to maintain, at the CONSULTANT'S expense, statutory worker's compensation coverage together with Coverage B, Employer's Liability limits of not less than \$500,000 for Bodily Injury by Disease per employee, \$500,000.00 for Bodily Injury by Disease aggregate and \$500,000 for Bodily Injury by Accident.
5. The CONSULTANT also agrees to maintain, at CONSULTANT'S expense, Professional Liability Insurance coverage insuring CONSULTANT against damages for legal liability arising from a negligent act, error or omission in the performance of professional services required by this Agreement during the period of CONSULTANT'S services and for three years following date of final completion of its services. The professional liability insurance coverage shall provide limits of not less than \$2,000,000 per claim and an annual aggregate of not less than \$2,000,000 on a claims-made basis.
6. CLIENT shall maintain statutory Workers Compensation insurance coverage on all of CLIENT'S employees and other liability insurance coverage for injury and property damage to third parties due to the CLIENT'S negligence.

7. Prior to commencement of this Agreement, CONSULTANT will provide the CLIENT with certificates of insurance, showing evidence of required coverages. All policies of insurance shall contain a provision or endorsement that the coverage afforded will not be canceled or reduced in limits by endorsement for any reason except non-payment of premium, until at least 30 days prior written notice has been given to the Certificate Holder, and at least 10 days prior written notice in the case of non-payment of premium
- E. OPINIONS OR ESTIMATES OF CONSTRUCTION COST. Where provided by the CONSULTANT as part of Exhibit I or otherwise, opinions or estimates of construction cost will generally be based upon public construction cost information. Since the CONSULTANT has no control over the cost of labor, materials, competitive bidding process, weather conditions and other factors affecting the cost of construction, all cost estimates are opinions for general information of the CLIENT and the CONSULTANT does not warrant or guarantee the accuracy of construction cost opinions or estimates. The CLIENT acknowledges that costs for project financing should be based upon contracted construction costs with appropriate contingencies.
- F. CONSTRUCTION SERVICES. It is agreed that the CONSULTANT and its representatives shall not at any time supervise, direct, control, or have authority over any contractor's work, nor shall CONSULTANT have authority over or be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any contractor, or the safety precautions and programs incident thereto, for security or safety at any Project site, nor for any failure of a Contractor to comply with Laws and Regulations applicable to that Contractor's furnishing and performing of its work. CONSULTANT shall not be responsible for the acts or omissions of any Contractor. CLIENT acknowledges that on-site contractor(s) are solely responsible for construction site safety programs and their enforcement.
- G. USE OF ELECTRONIC/DIGITAL DATA
1. Because of the potential instability of electronic/digital data and susceptibility to unauthorized changes, copies of documents that may be relied upon by CLIENT are limited to the printed copies (also known as hard copies) that are signed or sealed by CONSULTANT. Except for electronic/digital data which is specifically identified as a project deliverable for this Agreement or except as otherwise explicitly provided in this Agreement, all electronic/digital data developed by the CONSULTANT as part of the Project is acknowledged to be an internal working document for the CONSULTANT'S purposes solely and any such information provided to the CLIENT shall be on an "AS IS" basis strictly for the convenience of the CLIENT without any warranties of any kind. As such, the CLIENT is advised and acknowledges that use of such information may require substantial modification and independent verification by the CLIENT (or its designees).
 2. Provision of electronic/digital data, whether required by this Agreement or provided as a convenience to the Client, does not include any license of software or other systems necessary to read, use or reproduce the information. It is the responsibility of the CLIENT to verify compatibility with its system and long-term stability of media. ~~CLIENT shall indemnify and hold harmless CONSULTANT and its Subconsultants from all claims, damages, losses, and expenses, including attorneys' fees arising out of or resulting from third party use or any adaptation or distribution of electronic/digital data provided under this Agreement, unless such third party use and adaptation or distribution is explicitly authorized by this Agreement.~~
- H. REUSE OF DOCUMENTS
1. Drawings and Specifications and all other documents (including electronic and digital versions of any documents) prepared or furnished by CONSULTANT pursuant to this Agreement are instruments of service in respect to the Project and CONSULTANT shall retain an ownership interest therein. Upon payment of all fees owed to the CONSULTANT, the CLIENT shall acquire ~~a limited license in ownership of~~ all identified deliverables (including Reports, Plans and Specifications) for any reasonable use relative to the Project and the general operations of the CLIENT. Such ~~limited license to ownership by~~ Owner shall not create any rights in third parties.

2. CLIENT may make and disseminate copies for information and reference in connection with the use and maintenance of the Project by the CLIENT. However, such documents are not intended or represented to be suitable for reuse by CLIENT or others on extensions of the Project or on any other project. Any reuse by CLIENT or, any other entity acting under the request or direction of the CLIENT, without written verification or adaptation by CONSULTANT for such reuse will be at CLIENT'S sole risk and without liability or legal exposure to CONSULTANT, ~~and CLIENT shall indemnify and hold harmless CONSULTANT from all claims, damages, losses and expenses including attorney's fees arising out of or resulting from such reuse.~~
 3. Notwithstanding any other provision of this Agreement, CLIENT and CONSULTANT agree and understand that the Project was designed by Short Elliott Hendrickson Inc. ("DESIGN ENGINEER") and that CONSULTANT's scope of work includes a review of DESIGN ENGINEER's existing specifications and designs (the "Existing Design"). CLIENT and CONSULTANT agree that by this review, CONSULTANT does not assume any liability for DESIGN ENGINEER's work, including but not limited to any negligence, errors or omissions on the part of DESIGN ENGINEER in preparing the Existing Designs. During the course and scope of CONSULTANT's review, however, CONSULTANT may suggest modifications to the Existing Design. In the case that CLIENT accepts any of these suggested modifications, CONSULTANT will develop appropriate documentation for each such change through a detailed field order. Each such field order will be signed by the CONSULTANT and CONSULTANT shall accept liability for the resultant modification to the Existing Design. CONSULTANT shall not be liable for any unmodified portion of the Existing Design.
- I. CONFIDENTIALITY. CONSULTANT agrees to keep confidential and not to disclose to any person or entity, other than CONSULTANT'S employees and subconsultants any information related to the Project obtained from CLIENT not previously in the public domain or not otherwise previously known to or generated by CONSULTANT. These provisions shall not apply to information in whatever form that comes into the public domain through no fault of CONSULTANT; or is furnished to CONSULTANT by a third party who is under no obligation to keep such information confidential; or is information for which the CONSULTANT is required to provide by law or authority with proper jurisdiction; or is information upon which the CONSULTANT must rely for defense of any claim or legal action.
- J. PERIOD OF AGREEMENT. This Agreement will remain in effect for the longer of a period of three (3) years or until such other expressly identified completion date, after which time the Agreement may be extended upon mutual agreement of both parties.
- K. TERMINATION. This Agreement may be terminated:
1. For cause, by either party upon 7 days written notice in the event of substantial failure by other party to perform in accordance with the terms of this Agreement through no fault of the terminating party. For termination by CONSULTANT, cause includes, but is not limited to, failure by CLIENT to pay amounts owed to CONSULTANT within 120 days of invoice and delay or suspension of CONSULTANT's services for more than 120 days for reasons beyond CONSULTANT'S cause or control; or,
 2. For convenience by CLIENT upon 7 days written notice to CONSULTANT.
 3. Notwithstanding, the foregoing, this Agreement will not terminate under paragraph IV.K.1, if the party receiving such notice immediately commences correction of any substantial failure and cures the same within 10 days of receipt of the notice.
 4. In the event of termination by CLIENT for convenience or by CONSULTANT for cause, the CLIENT shall be obligated to the CONSULTANT for payment of amounts due and owing including payment for services

Performed or furnished to the date and time of termination, computed in accordance with Section III of this Agreement. CONSULTANT shall deliver and CLIENT shall have, at its sole risk ~~the~~ right ~~of use of to~~ any completed or partially completed deliverables, subject to provisions of Paragraph IV. H.

5. In event of termination by CLIENT for cause and in addition to any other remedies available to CLIENT, CONSULTANT shall deliver to CLIENT and CLIENT shall have right of use of any completed or partially completed deliverables, in accordance with the provisions of Paragraph IV.H. CLIENT shall compensate CONSULTANT for all undisputed amounts owed CONSULTANT as of date of termination.
- L. INDEPENDENT CONTRACTOR. Nothing in this Agreement is intended or should be construed in any manner as creating or establishing the relationship of co-partners between the parties hereto or as constituting the CONSULTANT or any of its employees as the agent, representative, or employee of the CLIENT for any purpose or in any manner whatsoever. The CONSULTANT is to be and shall remain an independent contractor with respect to all services performed under this Agreement.
- M. CONTINGENT FEE. The CONSULTANT warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the CONSULTANT to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift or any other consideration, contingent upon or resulting from award or making of this Agreement.
- N. NON-DISCRIMINATION. The provisions of any applicable law or ordinance relating to civil rights and discrimination shall be considered part of this Agreement as if fully set forth herein. The CONSULTANT is an equal opportunity employer and federal contractor or subcontractor. Consequently, the parties agree that, as applicable, they will abide by the requirements of 41 CFR 60-1.4(a), 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a) and that these laws are incorporated herein by reference. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. These regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. The parties also agree that, as applicable, they will abide by the requirements of Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), relating to the notice of employee rights under federal labor laws.
- O. ASSIGNMENT. Neither party shall assign or transfer any interest in this Agreement without the prior written consent of the other party.
- P. SURVIVAL. All obligations, representations and provisions made in or given in Section IV and Documents Retention clause of this Agreement will survive the completion of all services of the CONSULTANT under this Agreement or the termination of this Agreement for any reason.
- Q. SEVERABILITY. Any provision or part of the Agreement held to be void or unenforceable under any law or regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon CLIENT and CONSULTANT, who agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.
- R. CONTROLLING Law. This Agreement is to be governed by the law of the State of Minnesota and venued in courts of Minnesota; or at the choice of either party, and if federal jurisdictional requirements are met, in federal court in the district in which the project is located.

- S. DISPUTE RESOLUTION. CLIENT and CONSULTANT agree to negotiate all disputes between them in good faith for a period of 30 days from the date of notice of dispute prior to proceeding to formal dispute resolution or exercising their rights under law. Any claims or disputes unresolved after good faith negotiations shall then be submitted to mediation using a neutral from the Minnesota District Court Rule 114 Roster, or if mutually agreed at time of dispute submittal, a neutral from the American Arbitration Association Construction Industry roster. If mediation is unsuccessful in resolving the dispute, then either party may seek to have the dispute resolved by bringing an action in a court of competent jurisdiction.
- T. MINNESOTA GOVERNMENT DATA PRACTICES ACT (MGDPA). All data collected, created, received, maintained, or disseminated, or used for any purposes in the course of the CONSULTANT'S performance of the Agreement is governed by the Minnesota Government Data Practices Act, Minnesota Statutes Section 13.01, et seq. or any other applicable state statutes and state rules adopted to implement the Act, as well as state statutes and federal regulations on data privacy. The Consultant agrees to abide by these statutes, rules and regulations and as they may be amended. In the event the CONSULTANT receives a request to release data, it shall notify CLIENT as soon as practical. The CLIENT will give instructions to CONSULTANT concerning release of data to the requesting party and CONSULTANT will be reimbursed as additional services for its reasonable labor and other direct expenses in complying with any MGDPA request, but only to the extent that the request is not due to a negligent, intentional or willful act or omission by the CONSULTANT or other failure to comply with its obligations under this contract.

[REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK. SIGNATURE PAGE FOLLOWS.]

ATTACHMENTS:

- Schedule 1 Schedule of Fees
- Exhibit 1 Scope of Services

SECTION V - SIGNATURES

THIS INSTRUMENT embodies the whole agreement of the parties, there being no promises, terms, conditions or obligation referring to the subject matter other than contained herein. This Agreement may only be amended, supplemented, modified or canceled by a duly executed written instrument signed by both parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their behalf.

CLIENT: East Range Water Board

CONSULTANT: Bolton & Menk, Inc.



Seth A. Peterson, P.E., Senior Principal Engineer

Schedule 1 - Schedule of Fees

2024 SCHEDULE OF FEES

The following fee schedule is based upon competent, responsible professional services and is the minimum, below which adequate professional standards cannot be maintained. It is, therefore, to the advantage of both the professional and the client that fees be commensurate with the service rendered. Charges are based on hours spent at hourly rates in effect for the individuals performing the work. The hourly rates for principals and members of the staff vary according to skill and experience. The current specific billing rate for any individual can be provided upon request.

The fee schedule shall apply for the period through December 31, 2024. These rates may be adjusted annually thereafter to account for changed labor costs, inflation, or changed overhead conditions.

These rates include labor, general business, and other normal and customary expenses associated with operating a professional business. For projects with typical expenses and unless otherwise agreed, the above rates include vehicle and personal expenses, mileage, telephone, survey stakes, and routine expendable supplies; no separate charges will be made for these activities and materials. Expenses beyond typical project expenses, non-routine expenses, and expenses beyond the agreed scope of services, such as out of town travel expenses, long travel distances, large quantities of prints, extra report copies, outsourced graphics and photographic reproductions, document recording fees, outside professional and technical assistance, and other items of this general nature will be invoiced separately. Rates and charges do not include sales tax, if applicable.

Employee Classification	Hourly Billing Rates
Senior Project Manager	\$180-261
Project Manager	\$145-231
Senior Project Engineer	\$140-216
Project Engineer	\$130-201
Design Engineer	\$115-176
Graduate Engineer	\$120-156
Senior Planner	\$110-231
Planner	\$85-161
Senior Landscape Architect	\$145-216
Landscape Architect	\$130-161
Landscape Designer	\$75-134
Licensed Project Surveyor	\$160-191
Graduate Surveyor	\$125-191
Survey Technician	\$80-189
Senior Technician	\$120-206
Technician	\$85-176
Specialist*	\$95-226
Practice Expert**	\$170-311
Senior Principal	\$200-320
Principal	\$185-286
Administrative/Corporate Specialists	\$50-176
GPS/Robotic Survey Equipment	NO CHARGE
CAD/Computer Usage	NO CHARGE
Routine Office Supplies	NO CHARGE
Routine Photo Copying/Reproduction	NO CHARGE
Field Supplies/Survey Stakes & Equipment	NO CHARGE
Mileage	NO CHARGE

* No separate charges will be made for GPS or robotic total stations on Bolton & Menk, Inc. survey assignments; the cost of this equipment is included in the rates for survey technicians.

**Specialized role not classified above otherwise, incl. graphic design, project communication, funding support, etc.

***Highly specialized and industry expertise unique to the market or area of discipline.

Exhibit I - Scope of Services



Real People. Real Solutions.

4960 Miller Trunk Highway
Suite 350
Duluth, MN 55811

Ph: (218) 729-5939
Bolton-Menk.com

February 26, 2024

East Range Water Board
16 West 2nd Avenue North
Aurora, MN 55705

RE: Water Treatment and Supply Improvements
East Range Water Board
Value Engineering and Construction Services

Dear East Range Water Board Members,

Thank you for the opportunity to provide this proposal for Value Engineering and Construction Services for the Water Treatment and Supply Improvements project. The project consists of three separate construction contracts for construction of the raw water intake, water treatment plant, and watermain. We have previously provided a statement of qualifications which outlined our project approach, key team members, and related project experience. This letter will provide a summary of the scope of work along with proposed fees for our services. Our services are based on the following project timelines:

- WATERMAIN
 - Substantial Completion: November 1, 2024
 - Final Completion: December 15, 2024

- RAW WATER INTAKE
 - Substantial Completion: June 1, 2025
 - Final Completion: July 15, 2025

- WATER TREATMENT PLANT
 - Substantial Completion: December 31, 2025
 - Final Completion: June 30, 2026

We will provide the following construction services to facilitate construction of the Water Treatment and Supply Improvements and meet all requirements of the Minnesota Department of Health (MDH) and Public Facilities Authority (PFA) for Drinking Water Revolving Fund Projects.

- Preconstruction services including the following:
 - Value Engineering
 - Facilitate completion of contracts between the City and Contractor
 - Finalize funding for the project through the MDH and PFA
 - Conduct a preconstruction meeting with all interested parties
- Construction engineering services including the following:
 - Review of contractor submittals
 - Construction staking and surveying

Name: East Range Water Board
Date: February 26, 2024
Page: 2

- o Provide **BABA and** American iron and steel compliance monitoring to meet the requirements of the PFA
- o Provide wage compliance monitoring to meet the requirements of the PFA
- o Site observation and construction **engineering**
- o Coordination with the MDH
- o Conduct monthly progress meetings
- o Review pay applications and provide updates to the Water Board
- o Coordinate construction sequencing and process startup
- o Assist with process startup and training
- Project closeout services including the following:
 - o Production of record drawings
 - o Project and PFA loan closeout

Commented [ABT4]: Add more detailed description of Contractor oversight and communication to the Board? For example, specifically including observation of Installation of all major components of the Project by Contractors, etc. Is there a standard list?

We propose an estimated hourly fee for construction related services as described above. Based on the onsite time and level of service required, we propose a fee of \$1,550,000 which will be billed hourly following our standard rates. These construction services represent approximately 9,000 hours of engineering, technician, and other technical staff time to complete this project. Our work plan with a complete breakdown of staff hours has been enclosed for your reference.

We appreciate the opportunity to work with the Water Board on this important project. With the Board's approval we are ready to begin construction management activities immediately.

Sincerely,



Bolton & Menk, Inc
Brian Guldan, P.E.
Principal Environmental Engineer

Enclosure

CC Luke Heikkila, City of Aurora
Josh Stier, Bolton and Menk, Inc.
Jacob Crispo, Bolton and Menk, Inc.

ENGINEERING WORK PLAN AND FEES
East Range Water Board
Water Supply Improvements - Construction Services



WORK PLAN AND FEE - CONSTRUCTION	Process and Civil Engineering										Electrical Engineering		Mechanical Engineering		Structural Engineering		Architectural Design	
	Principal in Charge	Principal Project Manager	Project Engineer	Field Technician	Design Technician	Civil Engineer	Field Technician	Funding Specialist	Clerical	Engineer	Designer	Engineer	Designer	Engineer	Designer	Architect	Designer	
Construction Management																		
Task 1 - Value Engineering	10	80	30	20														
Task 2 - Finalize Project Funding with BPA and MDH		40						64	4									
Task 3 - Contract and Procurement Meeting	4	10	20	10					72									
Task 4 - Review of Contract Submittals	20	60	240	40					80	50	10	30	20	80	80	50	20	
Task 5 - Construction Subcontracting		10	10															
Task 6 - Amendment Item and Steel Compliance Monitoring per PFA		10	40					20	10									
Task 7 - Water Compliance Monitoring per PFA	2	40	20					40										
Task 8 - Site Observation (20 hours per week for 26 months)					3195													
Task 9 - Project Management, Meetings and Construction Engineering	50	300	600	200					240	60				40	20			30
Task 10 - Buy Request Review and Monthly Board Updates		80	80															
Task 11 - Process Startup and Operations Assistance	40	80	120	200														
Task 12 - Record Drawings		20	10	10					40									
Task 13 - Project Closeout	28	60	40	180						60	20	10	10	4	8	4	4	8
Watermain																		
Construction Services	12	120	320				1220	40										
Subtotal Hours	186	880	1530	3804	300	180	1380	224	148	100	40	54	44	84	84			48
Average Billing Rate	\$296	\$206	\$186	\$186	\$195	\$188	\$150	\$150	\$160	\$200	\$150	\$200	\$130	\$200	\$190	\$175		\$125
Construction Management Subtotal	\$39,732	\$158,620	\$225,080	\$657,484	\$58,500	\$18,800	\$172,040	\$27,600	\$14,600	\$20,000	\$8,000	\$10,800	\$5,720	\$18,800	\$8,320	\$14,700		\$6,000
Watermain Subtotal	\$3,088	\$24,720	\$59,520	\$0	\$0	\$0	\$183,000	\$8,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
Total	\$42,820	\$183,340	\$284,600	\$657,484	\$58,500	\$18,800	\$195,040	\$35,600	\$14,600	\$20,000	\$8,000	\$10,800	\$5,720	\$18,800	\$8,320	\$14,700		\$6,000
Estimated Construction Management Subtotal		\$1,274,516																
Estimated Raw Watermain Subtotal		\$276,336																
Estimated Total		\$1,550,852																

3.f.

Jodi Knaus

From: Doug Gregor <gregor@ci.aurora.mn.us>
Sent: Friday, March 15, 2024 8:44 AM
To: Jodi Knaus
Cc: Mia Thibodeau (mthibodeau@fryberger.com)
Subject: FW: Letter from East Range Water Board/SEH Proposed Professional Services Agreement
Attachments: DOC031324-001.pdf;
 ERWBD_PSA_East_Range_Water_Project_Construction_Phase_Assistance_2024-03-14.pdf

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Jodi – looks like another item to add to the Water Board agenda approving this PSA and identifying funds for the payment thereof. I will check in with you about 9:45 before my Council agenda setting meeting with Luke and Lindsey at 10:00.
Doug

Douglas Gregor, Chair
East Range Water Board
P.O. Box 160
Aurora, MN 55705
Cell: 218-750-0714
Email: gregor@ci.aurora.mn.us

From: Miles Jensen <mjensen@sehinc.com>
Sent: Thursday, March 14, 2024 5:51 PM
To: Jodi Knaus <jodi.knaus@townofwhite.com>; Jon Skelton (zlgskelton@gmail.com) <zlgskelton@gmail.com>; Doug Gregor <gregor@ci.aurora.mn.us>
Cc: Matt Reid <mreid@sehinc.com>; Mike Larson <mlarson@sehinc.com>; Kathy Crowson <kcrowson@sehinc.com>
Subject: RE: Letter from East Range Water Board

Caution: This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Jodi, Jon & Doug,
We are in receipt of the letter from the East Range Water Board, dated March 4, 2024 (copy attached). Following the discussion on presented on page 2 of that letter, we are transmitting to you a Professional Services Agreement (PSA) with an hourly NTE of \$15,000.00 to assist with the project construction phase.

As we have recently received a request for a number of documents, it seems appropriate to expedite this PSA so that SEH forces may begin the necessary tasks of compiling and transmitting.

Thanks & please call with questions.
Miles B. Jensen, PE
(AZ, CO, IA, IL, IN, KS, MD, MI, MO, MN, ND, NE, NM, OH, SD, TX, VA, WI)
Principal/Water Market Leader

SEH

Direct 651.490.2020 | Mobile 651.775.5031

main 651.490.2000 | fax 651.490.2150 | toll free 800.325.2055 | www.sehinc.com



SEH

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From: Jodi Knaus <jodi.knaus@townofwhite.com>

Sent: Tuesday, March 12, 2024 2:10 PM

To: Miles Jensen <mjensen@sehinc.com>

Cc: Jon Skelton (<zlgskelton@gmail.com> <zlgskelton@gmail.com>); Doug Gregor (<gregor@ci.aurora.mn.us> <gregor@ci.aurora.mn.us>)

Subject: Letter from East Range Water Board

Miles –

Please see the attached letter from the East Range Water Board. The Bolton and Menk Project Contacts are Brian Guldán and Josh Stier. Their contact information is below. I know the Bolton & Menk team is waiting for the engineering documents. They will be reaching out to you shortly. It has been a pleasure working with you Miles! Take Care.

Brian Guldán

Brian.Guldán@bolton-menk.com

612-499-0533

Joshua Stier

Joshua.Stier@bolton-menk.com

218-491-9434

Jodi Knaus

Town Manager & Clerk

Town of White

PO Box 146

16 West 2nd Avenue North

Aurora, MN 55705

(218) 229-2813 Office

(218) 229-2124 Fax

www.townofwhite.com

Agreement for Professional Services

This Agreement is effective as of March 14, 2024, between East Range Water Board (Client) and Short Elliott Hendrickson Inc. (Consultant). This Agreement authorizes and describes the scope, schedule, and payment conditions for Consultant's work on the Project described as: **East Range Water Project Construction Phase Assistance**

Client's Authorized Representative: Doug Gregor
Address: 16 West 2nd Street North, P.O.Box 160, Aurora, MN 55705, United States
Telephone: 218.229.2614 email: gregor@ci.aurora.mn.us

Project Manager: Miles B. Jensen, PE
Address: 615 9th Street North, Virginia, Minnesota 55792
Telephone: 651.775.5031 email: mjensen@sehinc.com

Scope: The Basic Services to be provided by Consultant as set forth herein are provided subject to the attached General Conditions of the Agreement for Professional Services (General Conditions Rev. 05.15.22), which is incorporated by reference herein and subject to Exhibits attached to this Agreement.


Provide service as requested by the Client, or its assigns, on an hourly basis with the transition from the bidding phase to the pre-construction phase and for tasks that may be required throughout the construction process. Such tasks and services could include preparation of conformed documents, issuance of project contracts, participation in a Value Engineering (VE) workshop, review of shop drawings and equipment submittals, answering questions related to design intent, or a larger role such as providing submittal review, review of contractors' RFIs or other related support.

Schedule: As service is requested.

Payment: A retainer in the amount of \$0.00 will be paid in advance of Consultant starting work and will be applied to the final invoice(s). The estimated fee is subject to a not-to-exceed amount of \$15,000.00 including expenses and equipment. The payment method, basis, frequency and other special conditions are set forth in attached Exhibit A-1.

This Agreement for Professional Services, attached General Conditions, Exhibits and any Attachments (collectively referred to as the "Agreement") supersedes all prior contemporaneous oral or written agreements and represents the entire understanding between Client and Consultant with respect to the services to be provided by Consultant hereunder. In the event of a conflict between the documents, this document and the attached General Conditions shall take precedence over all other Exhibits unless noted below under "Other Terms and Conditions". The Agreement for Professional Services and the General Conditions (including scope, schedule, fee and signatures) shall take precedence over attached Exhibits. This Agreement may not be amended except by written agreement signed by the authorized representatives of each party.

Other Terms and Conditions: Other or additional terms contrary to the General Conditions that apply solely to this project as specifically agreed to by signature of the Parties and set forth herein: None.

Short Elliott Hendrickson Inc.
By: 
Miles B. Jensen, PE
Title: Principal/Water Market Leader

East Range Water Board
By: _____
Title: _____

East Range Water Board
By: _____
Title: _____

Exhibit A-1
to Agreement for Professional Services
Between East Range Water Board (Client)
and
Short Elliott Hendrickson Inc. (Consultant)
Dated March 14, 2024

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. The scope of services, an estimated or required completion date and an estimate of costs for services shall be set forth in writing between Client and Consultant prior to commencement of such services. 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.

SEH Hourly Billing Fee Schedule
Hourly Billing Labor Rate Schedule as of January 1, 2024

Classifications	1-1-2024 Billing Rates	
Office & Field Staff		
Project Manager	\$168.54	to \$297.85
Senior Project Specialist	\$176.49	to \$297.85
Senior Project Engineer	\$207.97	to \$297.85
Project Engineer	\$168.54	to \$207.97
Staff Engineer	\$124.02	to \$173.31
Senior Project Architect	\$150.20	to \$286.49
Project Architect	\$132.87	to \$190.64
Staff Architect	\$103.99	to \$138.65
Senior Project Scientist	\$155.98	to \$213.75
Project Scientist	\$109.76	to \$173.31
Staff Scientist	\$98.21	to \$132.87
Senior Project Planner	\$155.98	to \$265.74
Project Planner	\$121.32	to \$190.64
Staff Planner	\$109.76	to \$150.20
Project GIS Analyst	\$132.87	to \$219.53
Lead Technician	\$127.09	to \$213.75
Senior Technician	\$109.76	to \$173.31
Process Technician	\$96.86	to \$161.76
Technician	\$121.90	to \$146.28
Graphic Designers	\$109.76	to \$184.86
Field Staff - Technical		
Specialist NACE Inspector	\$111.52	to \$210.48
Licensed Land Surveyor	\$180.38	to \$271.18
Lead Project Representative	\$111.52	to \$158.04
Senior Project Representative	\$93.63	to \$139.11
Project Representative	\$72.76	to \$105.96
Survey Crew Chief	\$91.24	to \$153.03
Survey Instrument Operator	\$93.65	to \$133.14

⁽¹⁾ The actual charged is dependent upon the hourly rate of the employee assigned to the project. The rates shown are guidelines and subject to change.

Effective: January 1, 2024
 Expires: December 31, 2024

SEH SCHEDULE OF EXPENSES - 2024

Vehicle Mileage Rates

2024 IRS Rate..... TBD

Vehicle Allowance Costs

Resident Project Representative \$16.00/day

Survey and Field Vehicle \$4.90/hour + 2024 IRS mileage rate/mile

Survey Equipment

Robotic Total Station..... \$35.00/hour

Global Positioning System (GPS) \$35.00/hour

Computer Equipment

Computer Charges per Direct Hour of Labor.....\$5.80/hour

Other Equipment Expenses

SEH uses many different types of equipment, such as traffic counters; flow meters; air, water, and soil sampling kits; inspection cameras; density meters; and many others. Our equipment is frequently upgraded to utilize current technology. You will be charged for equipment usage per your agreement with SEH. Equipment not included on this list that is needed to complete a specific project will be scoped on a per project basis.

IDENTIFIABLE REPRODUCTION AND REPROGRAPHIC COSTS<>

Item	8½x11	11x17	Large Format	Per Item
Black/White Copy (single-sided, standard white paper)	\$0.07	\$0.24	\$0.95 + \$0.50/sq. ft.	
Color Copy (single-sided, standard white paper)	\$0.46	\$1.02	\$0.95 + \$2.55/sq. ft.	
Mylar			\$5.00	
Laminated Foamcore - up to 30"x42"			\$40.00	
- larger than 40"x60"			\$75.00	
Binding				
- wire				\$3.60
- comb				\$3.20
Covers				
- custom				\$0.15
- standard				\$0.03
Tabs (white)				\$0.20
Mailing/Processing				UPS or USPS rates

(1) SEH assumes that reports will be prepared and delivered electronically. On the occasion where reports or other reprographic services are needed, these reports and reprographic services will be scoped and costed on a per project basis determined by the need of the project and specific service requested.

Rates and expenses are subject to change and may not be accompanied by immediate notification.



General Conditions of the Agreement for Professional Services

SECTION I - SERVICES OF CONSULTANT

A. General

1. Consultant agrees to perform professional services as set forth in the Agreement for Professional Services or Supplemental Letter Agreement ("Services"). Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Client or the Consultant. The Consultant's services under this Agreement are being performed solely for the Client's benefit, and no other party or entity shall have any claim against the Consultant because of this Agreement or the performance or nonperformance of services hereunder.

B. Schedule

1. Unless specific periods of time or dates for providing services are specified, Consultant's obligation to render Services hereunder will be for a period which may reasonably be required for the completion of said Services.

2. If Client has requested changes in the scope, extent, or character of the Project or the Services to be provided by Consultant, the time of performance and compensation for the Services shall be adjusted equitably. The Client agrees that Consultant is not responsible for damages arising directly or indirectly from delays beyond Consultant's control. If the delays resulting from such causes increase the cost or the time required by Consultant to perform the Services in accordance with professional skill and care, then Consultant shall be entitled to a equitable adjustment in schedule and compensation.

C. Additional Services

1. If Consultant determines that any services it has been directed or requested to perform are beyond the scope as set forth in the Agreement or that, due to changed conditions or changes in the method or manner of administration of the Project, Consultant's effort required to perform its services under this Agreement exceeds the stated fee for the Services, then Consultant shall promptly notify the Client regarding the need for additional Services. Upon notification and in the absence of a written objection, Consultant shall be entitled to additional compensation for the additional Services and to an extension of time for completion of additional Services absent written objection by Client.

2. Additional Services, including delivery of documents, CAD files, or information not expressly included as deliverables, shall be billed in accord with agreed upon rates, or if not addressed, then at Consultant's standard rates.

D. Suspension and Termination

1. If Consultant's services are delayed or suspended in whole or in part by Client, or if Consultant's services are delayed by actions or inactions of others for more than 60 days through no fault of Consultant, then Consultant shall be entitled to either terminate its agreement upon seven days written notice or, at its option, accept an equitable adjustment of compensation provided for elsewhere in this Agreement to reflect costs incurred by Consultant.

2. This Agreement may be terminated by either party upon seven days written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination.

3. This Agreement may be terminated by either party upon thirty days' written notice without cause. All provisions of this Agreement allocating responsibility or liability between the Client and Consultant shall survive the completion of the Services hereunder and/or the termination of this Agreement.

4. In the event of termination, Consultant shall be compensated for Services performed prior to termination date, including charges for expenses and equipment costs then due and all termination expenses.

SECTION II - CLIENT RESPONSIBILITIES

A. General

1. The Client shall, in proper time and sequence and where appropriate to the Project, at no expense to Consultant, provide full information as to Client's requirements for the Services provided by Consultant and access to all public and private lands required for Consultant to perform its Services.

2. The Consultant is not a municipal advisor and therefore Client shall provide its own legal, accounting, financial and insurance counseling, and other special services as may be required for the Project. Client shall provide to Consultant all data (and professional interpretations thereof) prepared by or services performed by others pertinent to Consultant's Services, such as previous reports; sub-surface explorations; laboratory tests and inspection of samples; environmental assessment and impact statements, surveys, property descriptions; zoning; deed; and other land use restrictions; as-built drawings; and electronic data base and maps. The costs associated with correcting, creating or recreating any data that is provided by the Client that contains inaccurate or unusable information shall be the responsibility of the Client.

3. Client shall provide prompt written notice to Consultant whenever the Client observes or otherwise becomes aware of any changes in the Project or any defect in Consultant's Services. Client shall promptly examine all studies, reports, sketches, opinions of construction costs, specifications, drawings, proposals, change orders, supplemental agreements, and other documents presented by Consultant and render the necessary decisions and instructions so that Consultant may provide Services in a timely manner.

4. Client shall require all utilities with facilities within the Project site to locate and mark said utilities upon request, relocate and/or protect said utilities to accommodate work of the Project, submit a schedule of the necessary relocation/protection activities to the Client for review, and comply with agreed upon schedule. Consultant shall not be liable for damages which arise out of Consultant's reasonable reliance on the information or services furnished by utilities to Client or others hired by Client.

5. Consultant shall be entitled to rely on the accuracy and completeness of information or services furnished by the Client or others employed by the Client and shall not be liable for damages arising from reasonable reliance on such materials. Consultant shall promptly notify the Client if Consultant discovers that any information or services furnished by the Client is in error or is inadequate for its purpose.

6. Client agrees to reasonably cooperate, when requested, to assist Consultant with the investigation and addressing of any complaints made by Consultant's employees related to inappropriate or unwelcomed actions by Client or Client's employees or agents. This shall include, but not be limited to, providing access to Client's employees for Consultant's investigation, attendance at hearings, responding to inquiries and providing full access to Client files and information related to Consultant's employees, if any. Client agrees that Consultant retains the absolute right to remove any of its employees from Client's facilities if Consultant, in its sole discretion, determines such removal is advisable. Consultant, likewise, agrees to reasonably cooperate with Client with respect to the foregoing in connection with any complaints made by Client's employees.

~~7. Client acknowledges that Consultant has expended significant effort and expense in training and developing Consultant's employees. Therefore, during the term of this Agreement and for a period of two years after the termination of this Agreement or the completion of the Services under this Agreement, whichever is longer, Client shall not directly or indirectly: (1) hire, solicit or encourage any employee of Consultant to leave the employ of Consultant; (2) hire, solicit or encourage any consultant or independent contractor to cease work with Consultant; or (3) circumvent Consultant by conducting business directly with its employees. The two-year period set forth in this section shall be extended commensurately with any amount of time during which Client has violated its terms.~~

SECTION III - PAYMENTS

A. Invoices

1. Undisputed portions of invoices are due and payable within 30 days. ~~Client must notify Consultant in writing of any disputed items within 15 days from receipt of invoice.~~ Amounts due Consultant will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) for invoices 30 days past due. Consultant reserves the right to retain Services or deliverables until all invoices are paid in full. Consultant will not be liable for any claims of loss, delay, or damage by Client for reason of withholding Services, deliverables, or instruments of Service until all invoices are paid in full. Consultant shall be entitled to recover all reasonable

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- costs and disbursements, including reasonable attorney's fees, incurred in connection with collecting amounts owed by Client.
- Should taxes, fees or costs be imposed on expenses, they shall be in addition to Consultant's agreed upon compensation.
 - Notwithstanding anything to the contrary herein, Consultant may pursue collection of past due invoices without the necessity of any mediation proceedings.

SECTION IV - GENERAL CONSIDERATIONS

A. Standards of Performance

- The standard of care for all professional engineering and related services performed or furnished by Consultant under this Agreement will be the care and skill ordinarily exercised by members of Consultant's profession practicing under similar circumstances at the same time and in the same locality. Consultant makes no warranties, express or implied, under this Agreement or otherwise, in connection with its Services.
- Consultant neither guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform the work in accordance with its construction contract or the construction documents prepared by Consultant. Client acknowledges Consultant will not direct, supervise or control the work of construction contractors or their subcontractors at the site or otherwise. Consultant shall have no authority over or responsibility for the contractor's acts or omissions, nor for its means, methods, or procedures of construction. Consultant's Services do not include review or evaluation of the Client's, contractor's or subcontractor's safety measures, or job site safety or furnishing or performing any of the Contractor's work.
- Consultant's Opinions of Probable Construction Cost are provided if agreed upon in writing and made on the basis of Consultant's experience and qualifications. Consultant has no control over the cost of labor, materials, equipment or service furnished by others, or over the Contractor's methods of determining prices, or over competitive bidding or market conditions. Consultant cannot and does not guarantee that proposals, bids or actual construction cost will not vary from Opinions of Probable Construction Cost prepared by Consultant. If Client wishes greater assurance as to construction costs, Client shall employ an independent cost estimator.

B. Indemnity for Environmental Issues

- Consultant is not a user, generator, handler, operator, arranger, storer, transporter, or disposer of hazardous or toxic substances. Therefore the Client agrees to hold harmless, indemnify, and defend Consultant and Consultant's officers, directors, subconsultant(s), employees and agents from and against any and all claims; losses; damages; liability; and costs, including but not limited to costs of defense, arising out of or in any way connected with, the presence, discharge, release, or escape of hazardous or toxic substances, pollutants or contaminants of any kind at the site.

C. Limitations on Liability - Intentionally Omitted.

- ~~The Client hereby agrees that to the fullest extent permitted by law, Consultant's total liability to the Client for all injuries, claims, losses, expenses, or damages whatsoever arising out of or in any way related to the Project or this Agreement from any cause or causes including, but not limited to, Consultant's negligence, errors, omissions, strict liability, breach of contract or breach of warranty, shall not exceed five hundred thousand dollars (\$500,000). In the event Client desires limits of liability in excess of those provided in this paragraph, Client shall advise Consultant in writing and agree that Consultant's fee shall increase by 1% for each additional five hundred thousand dollars of liability limits, up to a maximum limit of liability of five million dollars (\$5,000,000).~~
- ~~Neither Party shall be liable to the other for consequential damages, including without limitation lost rentals; increased rental expenses; loss of use; loss of income; lost profit; financing, business, or reputation; and loss of management or employee productivity, incurred by one another or their subsidiaries or successors, regardless of whether such damages are foreseeable and are caused by breach of contract, willful misconduct, negligent act or omission, or other wrongful act of either of them. Consultant expressly disclaims any duty to defend Client for any alleged actions or damages.~~
- ~~It is intended by the parties to this Agreement that Consultant's Services shall not subject Consultant's employees, officers or directors to any personal legal exposure for the risks associated with this Agreement. The Client agrees that as the Client's sole and exclusive remedy, any claim, demand or suit shall be directed and/or~~

~~asserted only against Consultant, and not against any of Consultant's individual employees, officers or directors, and Client knowingly waives all such claims against Consultant individual employees, officers or directors.~~

~~4. Causes of action between the parties to this Agreement pertaining to acts or failures to act shall be deemed to have accrued, and the applicable statutes of limitations shall commence to run, not later than either the date of Substantial Completion for acts or failures to act occurring prior to substantial completion or the date of issuance of the final invoice for acts or failures to act occurring after Substantial Completion. In no event shall such statutes of limitations commence to run any later than the date when the Services are substantially completed.~~

D. Assignment

- Neither party to this Agreement shall transfer, sublet or assign any rights under, or interests in, this Agreement or claims based on this Agreement without the prior written consent of the other party. Any assignment in violation of this subsection shall be null and void.

E. Dispute Resolution

- Any dispute between Client and Consultant arising out of or relating to this Agreement or the Services (except for unpaid invoices which are governed by Section II) shall be submitted to mediation as a precondition to litigation unless the parties mutually agree otherwise. Mediation shall occur within 60 days of a written demand for mediation unless Consultant and Client mutually agree otherwise.
- Any dispute not settled through mediation shall be settled through litigation in the state and county where the Project at Issue is located.

SECTION V - INTELLECTUAL PROPERTY

A. Proprietary Information

- All documents, including reports, drawings, calculations, specifications, CAD materials, computers software or hardware or other work product prepared by Consultant pursuant to this Agreement are Consultant's Instruments of Service ("Instruments of Service"). Consultant retains all ownership interests in Instruments of Service, including all available copyrights, subject to Section V(B).
- Notwithstanding anything to the contrary, Consultant shall retain all of its rights in its proprietary information including without limitation its methodologies and methods of analysis, ideas, concepts, expressions, inventions, know how, methods, techniques, skills, knowledge, and experience possessed by Consultant prior to, or acquired by Consultant during, the performance of this Agreement and the same shall not be deemed to be work product or work for hire and Consultant shall not be restricted in any way with respect thereto. Consultant shall retain full rights to electronic data and the drawings, specifications, including those in electronic form, prepared by Consultant and its subconsultants and the right to reuse component information contained in them in the normal course of Consultant's professional activities.

B. Client Use of Instruments of Service

- Provided that Consultant has been paid in full for its Services, Client shall ~~have the right in the form of a nonexclusive license to use own~~ the Instruments of Service delivered to Client exclusively for purposes of constructing, using, maintaining, altering and adding to the Project. Consultant shall be deemed to be the author of such Instruments of Service, electronic data or documents, and shall be given appropriate credit in any public display of such Instruments of Service.
- Records requests or requests for additional copies of Instruments of Services outside of the scope of Services, including subpoenas directed from or on behalf of Client are available to Client subject to Consultant's current rate schedule. ~~Consultant shall not be required to provide CAD files or documents unless specifically agreed to in writing as part of this Agreement.~~

C. Reuse of Documents

- All Instruments of Service prepared by Consultant pursuant to this Agreement are not intended or represented to be suitable for reuse by the Client or others on extensions of the Project or on any other Project. Any reuse of the Instruments of Service without written consent or adaptation by Consultant for the specific purpose intended will be at the Client's sole risk and without liability or legal exposure to Consultant, ~~and the Client shall release Consultant from all claims arising from such use. Client shall also defend, indemnify, and hold harmless Consultant from all claims, damages, losses, and expenses including attorneys' fees arising out of or resulting from reuse of Consultant documents without written consent.~~

Formatted: Body Text, Indent: Left: 0.3", First line: 0", Right: 0.27", Space Before: 4.25 pt, Line spacing: Multiple 1.01 li, No bullets or numbering, Tab stops: Not at 0.3" + 0.3"

5a1

Jodi Knaus

From: City Clerk <cityclerk@ci.aurora.mn.us>
Sent: Thursday, March 14, 2024 8:48 AM
To: Jodi Knaus
Subject: FW: Notice of EPA Award: City of Aurora CG00E03651-0
Attachments: CG00E03651.pdf

Caution: This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Jodi,

Good news, the EPA Grant was approved, and we will be able to draw those funds soon. Some paperwork left to do of course to get it ready, but it passed the approval process.

Luke

From: Samiei, Layla <Samiei.Layla@epa.gov>
Sent: Wednesday, March 13, 2024 8:27 AM
To: City Clerk <cityclerk@ci.aurora.mn.us>
Cc: Gaines, Felicia <gaines.felicia@epa.gov>; Kyles, Latasha <Kyles.Latasha@epa.gov>; Fields, Robert <Fields.Robert@epa.gov>; Sykes, Karen <Sykes.Karen@epa.gov>
Subject: Notice of EPA Award: City of Aurora CG00E03651-0

Caution: This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

U.S. Environmental Protection Agency Notification of Award/Amendment

Attached is your notice of award from U.S. Environmental Protection Agency (EPA), Region 5. Please review the entire award, including General, Administrative and Programmatic terms and conditions and any applicable regulatory authorities, which set forth your legal responsibilities to EPA. General Terms and Conditions may be found at <https://www.epa.gov/grants/grant-terms-and-conditions>.

Please see the 'Notice of Award' section on page 1 of the agreement for more information on accepting this award. Should you disagree with the award terms and conditions or do not wish to accept EPA funding, the organizational authorized representative must send a notice of disagreement to the EPA award official within 21 days of the award mailing date via Region 5's dedicated email address, Region5Closeouts@epa.gov.

We suggest that you forward the award document to any other personnel in your organization requiring information about the award. You may access additional information to help you manage the grant at <https://www.epa.gov/grants>. The forms you will need to administer the agreement can be found at the EPA webpage, <https://www.epa.gov/grants/epa-grantee-forms>. All forms requiring signature must be electronically or digitally signed in accordance with EPA's Recipient/Applicant Information Notice (RAIN), [Establishment of Standards for Submission of Administrative and Financial Assistance Agreement Forms/Documents with Electronic or Digital Signatures by Email](#) (RAIN-2020-G04-R1). Please note, EPA periodically sends RAINs via email to provide key information to applicants and recipients about EPA policies, as well as federal-wide policies and


requirements that impact EPA grants. To subscribe to the RAINs listserv, please go to <https://www.epa.gov/grants/forms/subscribe-epa-grants-update-listserv>.

If you have any questions of a programmatic nature, please contact your EPA Project Officer. Questions relating to administrative matters should be directed to your EPA Grants Specialist. Both contacts are identified on page 1 of the award. Please reference the Program Code, Grant Number (FAIN), and Modification Number on all future correspondence regarding this assistance agreement.

For information regarding payments and financial reports, please refer to the following EPA webpage: <https://www.epa.gov/financial/grants>.

**U.S. Environmental Protection Agency
Region 5
Assistance Section**

*****Please do not reply to this email. For any questions related to your award, please contact your designated Grants Specialist or Project Officer. This will ensure an appropriate and timely response to your inquiry.
Thank you.*****

	U.S. ENVIRONMENTAL PROTECTION AGENCY Grant Agreement		GRANT NUMBER (FAIN): 00E03651	DATE OF AWARD
			MODIFICATION NUMBER: 0	03/08/2024
			PROGRAM CODE: CG	MAILING DATE
			TYPE OF ACTION	03/13/2024
		NEW	PAYMENT METHOD:	ACH#
		ASAP	SEND PAYMENT REQUEST TO:	PEND
RECIPIENT TYPE:		Send Payment Request to:		
Municipal		Contact EPA RTPFC at: rtpfc-grants@epa.gov		
RECIPIENT:		PAYEE:		
City of Aurora		City of Aurora		
16 West 2nd Avenue North		16 West 2nd Avenue North		
Aurora, MN 55705		Aurora, MN 55705		
EIN: 41-6004946				
PROJECT MANAGER	EPA PROJECT OFFICER	EPA GRANT SPECIALIST		
Lucas Heikkila	Felicia Gaines	Latasha Kyles		
16 W 2nd Ave N	77 W. Jackson Blvd., WS-15J	Assistance Section, MA-10J		
PO Box 160	Chicago, IL 60604	77 W. Jackson Blvd.		
Aurora, MN 55705	Email: gaines.felicia@epa.gov	Chicago, IL 60604		
Email: cityclerk@ci.aurora.mn.us	Phone: 312-886-0139	Email: Kyles.Latasha@epa.gov		
Phone: 121-829-0599		Phone: 312-353-2004		
PROJECT TITLE AND DESCRIPTION				
City of Aurora FY22-23 CDS-East Mesabi Water Treatment Project				
See Attachment 1 for project description.				
BUDGET PERIOD	PROJECT PERIOD	TOTAL BUDGET PERIOD COST	TOTAL PROJECT PERIOD COST	
04/01/2024 - 12/31/2025	04/01/2024 - 12/31/2025	\$ 8,125,000.00	\$ 8,125,000.00	
NOTICE OF AWARD				
<p>Based on your Application dated 01/23/2024 including all modifications and amendments, the United States acting by and through the US Environmental Protection Agency (EPA) hereby awards \$ 6,500,000.00. EPA agrees to cost-share 80.00% of all approved budget period costs incurred, up to and not exceeding total federal funding of \$ 6,500,000.00. Recipient's signature is not required on this agreement. The recipient demonstrates its commitment to carry out this award by either: 1) drawing down funds within 21 days after the EPA award or amendment mailing date; or 2) not filing a notice of disagreement with the award terms and conditions within 21 days after the EPA award or amendment mailing date. If the recipient disagrees with the terms and conditions specified in this award, the authorized representative of the recipient must furnish a notice of disagreement to the EPA Award Official within 21 days after the EPA award or amendment mailing date. In case of disagreement, and until the disagreement is resolved, the recipient should not draw down on the funds provided by this award/amendment, and any costs incurred by the recipient are at its own risk. This agreement is subject to applicable EPA regulatory and statutory provisions, all terms and conditions of this agreement and any attachments.</p>				
ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)			AWARD APPROVAL OFFICE	
ORGANIZATION / ADDRESS			ORGANIZATION / ADDRESS	
U.S. EPA, Region 5, U.S. EPA Region 5			U.S. EPA, Region 5, Water Division	
Mail Code MCG10J 77 West Jackson Blvd.			R5 - Region 5	
Chicago, IL 60604-3507			77 W. Jackson Blvd., W-15J	
			Chicago, IL 60604	
THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY				
Digital signature applied by EPA Award Official for Sheila Dolan				DATE
by Robert Fields - Award Official Delegate				03/08/2024

EPA Funding Information

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	\$ 0	\$ 6,500,000	\$ 6,500,000
EPA In-Kind Amount	\$ 0	\$ 0	\$ 0
Unexpended Prior Year Balance	\$ 0	\$ 0	\$ 0
Other Federal Funds	\$ 0	\$ 0	\$ 0
Recipient Contribution	\$ 0	\$ 1,625,000	\$ 1,625,000
State Contribution	\$ 0	\$ 0	\$ 0
Local Contribution	\$ 0	\$ 0	\$ 0
Other Contribution	\$ 0	\$ 0	\$ 0
Allowable Project Cost	\$ 0	\$ 8,125,000	\$ 8,125,000

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.202 - Congressionally Mandated Projects	2023 Consolidated Appropriations Act (PL 117-328) 2022 Consolidated Appropriations Act (PL 117-103)	2 CFR 200, 2 CFR 1500 and 40 CFR 33

Fiscal									
Site Name	Req No	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation / Deobligation
-	2405PKX015	23	E5	0523DNU	000B81	4192	-	-	\$ 4,000,000
-	2405PKX015	23	E5C	0522DDC	000B81	4192	-	-	\$ 2,500,000
									\$ 6,500,000

Budget Summary Page

Table A - Object Class Category (Non-Construction)	Total Approved Allowable Budget Period Cost
1. Personnel	\$ 0
2. Fringe Benefits	\$ 0
3. Travel	\$ 0
4. Equipment	\$ 0
5. Supplies	\$ 0
6. Contractual	\$ 0
7. Construction	\$ 8,125,000
8. Other	\$ 0
9. Total Direct Charges	\$ 8,125,000
10. Indirect Costs: 0.00 % Base	\$ 0
11. Total (Share: Recipient <u>20.00</u> % Federal <u>80.00</u> %)	\$ 8,125,000
12. Total Approved Assistance Amount	\$ 6,500,000
13. Program Income	\$ 0
14. Total EPA Amount Awarded This Action	\$ 6,500,000
15. Total EPA Amount Awarded To Date	\$ 6,500,000

Attachment 1 - Project Description

This agreement provides funding to the City of Aurora to implement its project to replace the existing treatment plant, install a new surface water intake from the Embarrass Mine Pit and associated raw water transmission line as well as the connection to the Scenic Acres development in the Town of White as directed in the 2022 and 2023 Consolidated Appropriations Act or as identified in an approved Technical Correction if one has been approved for this project. The proposed project would include planning, design, and construction of the East Range Water Treatment Plant, Embarrass Pit Raw Water Intake Facility, Raw Water Pipeline, and Watermain Extension.

Construction of East Range Water Treatment Plant

Addresses age and reliability of Aurora Water Treatment Plant.

Expands access to clean drinking water throughout the area.

Construction of Embarrass Pit Raw Water Intake Facility

Improves community source water quality.

Provides possible replacement for unreliable Canton Pit water source.

Raw Water Pipeline

Provides means to move water from Embarrass Pit to East Range WTP.

Watermain Extension

Expands access to clean drinking water to Scenic Acres development.

The anticipated deliverables: New distribution system pipe will be constructed in order to provide service to the Scenic Acres development, and the Pineville community in White.

Scenic Acres is a part of the City of Aurora which does not currently receive treated water. An interconnect between the City of Aurora and the City of Biwabik will be constructed inside of the existing Voyageurs Booster Station to allow for Biwabik to receive water from the WTP for temporary or permanent purposes. No subawards are included in this assistance agreement.

Administrative Conditions

General Terms and Conditions

The recipient agrees to comply with the current EPA general terms and conditions available at: <https://www.epa.gov/grants/epa-general-terms-and-conditions-effective-october-1-2023-or-later>.

These terms and conditions are in addition to the assurances and certifications made as a part of the award and the terms, conditions, or restrictions cited throughout the award.

The EPA repository for the general terms and conditions by year can be found at: <https://www.epa.gov/grants/grant-terms-and-conditions#general>.

A. Correspondence Condition

The terms and conditions of this agreement require the submittal of reports, specific requests for approval, or notifications to EPA. Unless otherwise noted, all such correspondence should be sent to the following email addresses:

- Federal Financial Reports (SF-425): rtfc-grants@epa.gov
- MBE/WBE reports (EPA Form 5700-52A): region5closeouts@epa.gov and kyles.latasha@epa.gov
- All other forms/certifications/assurances, Indirect Cost Rate Agreements, Requests for Extensions of the Budget and Project Period, Amendment Requests, Requests for other Prior Approvals, updates to recipient information (including email addresses, changes in contact information or changes in authorized representatives) and other notifications:

Felicia Gaines, Program Manager, U.S. EPA, Region 5, Water Division
77 W. Jackson Blvd, WS-15J
Chicago, IL 60604
Phone: 312-886-0139
gaines.felicia@epa.gov

Latasha Kyles, Grants Management Specialist U.S. EPA, Region 5, Assistance
Section
Chicago, IL 60604
Phone: 312-353-
2004
es.latasha@epa.gov

77 W. Jackson Blvd., MA-10J

[kyl](#)

Quality Assurance documents, workplan revisions, equipment lists, programmatic reports and deliverables:

Felicia Gaines, Program Manager, U.S. EPA, Region 5, Water Division
77 W. Jackson Blvd, WS-15J
Chicago, IL 60604
Phone: 312-886-0139
gaines.felicia@epa.gov

B. Prior Approval of Payments for EPA Community Grants

Payment Requests are to be completed on Standard Form 270, "Request for Advance or Reimbursement" and submitted to the EPA Grants Office with a copy to the EPA Project Officer. This form and instructions for completing it can be found at <https://www.epa.gov/grants/epa-grantee-forms>. The requests will report cumulative expenditures both (federal and non-federal) incurred under the grant. EPA will approve payments for allowable expenditures at the ratio shown in the latest Agreement.

Under this payment mechanism, the recipient submits for EPA approval the Standard Form 270 along with supporting cost documentation via email to, the EPA Project Officer and the EPA Grants Management Specialist listed on this award document. Attachments must be submitted in pdf or other acceptable software format (e.g., DocuSign) and the Standard Form 270 must be electronically or digitally signed by your organization's authorized representative or their designee in accordance with EPA's Recipient/Applicant Information Notice (RAIN), [Establishment of Standards for Submission of Administrative and Financial Assistance Agreement Forms/Documents with Electronic or Digital Signatures by Email](#). Documentation to support costs claimed for reimbursement include copies of bills (vouchers, invoices, etc.), along with a description of services rendered, time spent, and charges. The table below provides examples of acceptable documentation. Also, as a reminder, please refer to the Grant-Specific Programmatic Terms and Conditions of this award for additional information regarding procurement documentation submission requirements.

After review and written notification of EPA's approval, the recipient will request funds via the U.S. Treasury's Automated Standard Application for Payment (ASAP) system for 80% of the total allowable expenditures shown on the Standard Form 270 (i.e., the Federal share) for the period covered by the request. EPA may pay 100% of the allowable expenditures reported for the period of the request for grants for which the cost share requirement has been waived by EPA. Payment for costs approved by EPA and authorized for drawdown by the recipient via the ASAP System will be credited to the recipient's designated financial institution (See Financial Information in the [EPA General Terms and Conditions](#) applicable to this award). Any questioned or disallowed costs will be detailed in writing by EPA's Grants Management Officer.

SUPPORTING DOCUMENTATION BY BUDGET CATEGORY	
BUDGET CATEGORY	ACCEPTABLE DOCUMENTATION
<p>1. PERSONNEL (for both EPA-funded and non-EPA funded employees whose services will count towards the recipient's cost share) Records must:</p> <ul style="list-style-type: none"> • meet the requirements in 2 CFR 200.430(i) for producing accurate information regarding actual hours an employee worked performing the EPA agreement. • reflect 100% of actual hours worked daily and the projects, programs or activities worked, not 	

<p>estimated amounts or percentages. They must also reflect non-working hours used during the pay period. • be certified by an appropriate recipient manager indicating that the hours shown as worked in support of the EPA assistance agreement were actually spent on activities approved and eligible under the agreement for which the costs are claimed • contain names of employees charging time to the agreement, with explicit indication of number of hours charged, the hourly rate, and the total amount thereof charged.</p>	
<p>1a. Working Hours</p>	<ul style="list-style-type: none"> • Copies of time sheets or equivalent records
<p>1b. Non-Working Hours (e.g., sick leave, annual leave, holiday pay, etc.) being charged to the agreement if not covered by a leave rate or included in fringe benefits.</p>	<ul style="list-style-type: none"> • A schedule or report showing the non-working hour cost calculations and amounts claimed, including the applicable accruals and distribution methodologies for the periods used in the calculations.
<p>2. FRINGE BENEFITS – if applicable, approved fringe rate or actual costs per employee.</p>	<ul style="list-style-type: none"> • A schedule or report showing the fringe benefit cost calculations per employee, per pay period being claimed for payment and charged to the assistance agreement. Individual items included in approved fringe benefit rates must be identified.
<p>3. INDIRECT COSTS – either an approved indirect cost rate agreement covering the period for the indirect costs being claimed, or otherwise approved to use the 10% de minimis rate. See the General Terms and Conditions for additional information.</p>	<ul style="list-style-type: none"> • A schedule or report showing the indirect costs calculations and amounts claimed and charged to the assistance agreement, including the applicable rates and cost basis for the periods used in the calculations.
<p>4. TRAVEL Note: First class/business class travel costs are not allowable.</p>	<ul style="list-style-type: none"> • listing of trips taken, trip dates, location, purpose, and actual costs incurred. • copy of signed and dated authorization documents for each trip. • written certification by employee's supervisor or other authorized official that the trip took place. • copy of signed and dated travel vouchers showing actual expenditures
<p>5. EQUIPMENT – records must show equipment items, quantity, unit cost,</p>	<ul style="list-style-type: none"> • copy of procurement requests • copy of vendor invoices • quotes or bid

and total amount consistent with the PO and RFP.	announcements as required
6. SUPPLIES	<ul style="list-style-type: none"> • invoices showing supply items, quantity, unit cost, and total amount consistent with the Purchase Order. • copy of procurement requests • copy of vendor invoices • quotes or bid announcements as required
<p>7. CONTRACTUALThe contract agreement must include all applicable clauses stipulated at 2 CFR Part 200.327 and Appendix II. NOTE: per the grant-specific programmatic Terms and Conditions of the award, all contracts should have already been reviewed and approved by the project officer. Contracts for Architectural and Engineering services are included in this category. The costs for consultant compensation that are charged to the EPA assistance agreement (including cost shares) must not exceed the consultant cap (Level IV of the Executive Schedule) as described at 2 CFR 1500.10</p>	<ul style="list-style-type: none"> • documents showing quotes or bid announcements as required. • evidence of the selection decision and a cost and price analysis • copy of contractor invoices
<p>8. CONSTRUCTIONThis category includes contracts for general construction and other contractor costs for activities described in EPA's Small and Disadvantaged Business (DBE) rule at 40 CFR 33.103.</p>	<ul style="list-style-type: none"> • documents showing quotes or bid announcements as applicable. • evidence of the selection decision and a cost and price analysis • copy of contractor and vendor invoices
<p>9. OTHERIf subaward costs are being claimed, a copy of the executed subaward agreement must be provided. The subaward agreement must comply with the requirements of the subaward term and condition of the EPA award and 2 CFR 200.331 and 200.332.</p>	<ul style="list-style-type: none"> • invoices showing items, quantity, unit cost, and total amount. As applicable ensure there are: • copies of procurement requests • copy of vendor invoices • quotes or bid announcements as required • documentation of participant support cost payments approved in the budget • cost Calculations/Allocations of shared costs like rent, utilities, etc.

Programmatic Conditions

GRANT-SPECIFIC PROGRAMMATIC TERMS AND CONDITIONS FOR EPA COMMUNITY GRANTS

A. Performance Reporting ([2 CFR 200.329](#))

The recipient agrees to submit performance reports to the EPA Project Officer on a semi-annual basis, no later than April 30 and October 30 of each year. The final performance report must be submitted no later than 120 calendar days after the period of performance end date.

Performance reports must relate financial data and accomplishments to performance goals and objectives; include brief information on each of the following areas: 1) a comparison of actual accomplishments to the outputs/outcomes established in the assistance agreement workplan for the period; 2) the reasons for slippage if established outputs/outcomes were not met; and 3) additional pertinent information, including, when appropriate, analysis and formation of cost overruns or high unit costs.

The recipient agrees to inform EPA as soon as problems, delays, or adverse conditions become known which will materially impair the ability to meet the outputs/outcomes specified in the assistance agreement workplan.

B. Project changes

The recipient must obtain written EPA approval before implementing changes which alter the project performance standards; change the scope or objectives of the project or substantially alter the design of the project; transfer funds between construction and non-construction budget categories; significantly delay or accelerate the project schedule; substantially alter the facilities plan, design drawings and specifications, or the location, size, capacity, or quality of any major part of the project.

C. Right of Access ([2 CFR 200.337](#))

EPA will have access to all records including fiscal, procurement, and engineering data and files which are pertinent to the assistance agreement, and EPA may conduct site visits and inspections related to progress of the assistance agreement workplan activities.

• Procurement Document Submission

A copy of all proposed contracts for services and supplies over \$250,000 shall be submitted to the EPA Project Officer for review. The submittal of the proposed contracts shall include procurement records. A copy of all proposed contracts for construction shall be submitted to the EPA Project Officer for review. The submittal of the proposed contracts shall include procurement records.

(a) Recipient agrees to submit plans and specifications, requests for proposals, invitations for bid, scopes of work and/or plans and specifications to the EPA Project Officer for review prior to advertising for bids. Recipient will also submit any addenda

to these documents to the EPA Project Officer for review prior to the opening of bids.

(b) Recipient agrees to submit to the EPA Project Officer, within ten calendar days after a bid opening, the bid package of the lowest responsive, responsible bidder for review prior to the award of a contract. The bid package will include a bid tabulation, a copy of the proof of advertising, the bid bond of the low bidder, the signed EPA Form 5700-49 (Certification Regarding Debarment, Suspension, and Other Responsibility Matters), the MBE/WBE proposed utilization by the low bidder with a statement from Recipient that the efforts taken by the low bidder meet the regulatory requirements, and the recommendation to award a contract to the low bidder.

(c) Recipient agrees to submit to the EPA Project Officer for review any proposed contract for services, such as engineering or grant management, prior to signing each contract as well as any change orders executed after the award of the contract. A description of the process used to procure those services will also be submitted. Such contracts must comply with provisions in the regulations at [2 CFR Part 200](#) and/or [40 U.S.C. 1101 et seq.](#), or an equivalent State requirement as applicable to be accepted as allowable project costs.

D. Procurement

(a) The recipient agrees to procure all services (professional or otherwise), supplies, and construction awarded under this grant in accordance with [2 CFR 200.317 through 2 CFR 200.327](#) and [40 CFR Part 33](#).

(b) Recipient agrees to comply with the procurement processes for architectural and engineering (A/E) services as identified in [40 U.S.C. 1101 et seq.](#), or an equivalent State requirement.

Where equivalent State requirements are complied with, the source of the requirement (e.g., existing State legislation or regulation, etc.) must be stated, and a certification from the Governor of the State that the State's A/E procurement requirements are equivalent to [40 U.S.C. 1101 et seq.](#) must accompany the grant application. In lieu of a certification from the Governor, the Attorney General's certification submitted with each grant application may include this certification. The requirements of [40 U.S.C. 1101 et seq.](#) are:

- Public announcement of the solicitation (e.g., a Request for Qualifications);
- Evaluation and ranking of the submitted qualifications statements based on established, publicly available criteria (e.g., identified in the solicitation);

Evaluation criteria should be based on demonstrated competence and qualification for the type of professional services required (e.g., past performance, specialized experience, and technical competence in the type of work required);

- Discussion with at least three firms to consider anticipated concepts and compare

alternative methods for furnishing services;

- Selection of at least three firms considered to be the most highly qualified to provide the services required; and
- Contract negotiation with the most highly qualified firm to determine compensation that is fair and reasonable based on a clear understanding of the project scope, complexity, professional nature, and the estimated value of the services to be rendered;

In the event that a contract cannot be negotiated with the most highly qualified firm, negotiation continues in order of qualification.

In the event that the State has no existing equivalent qualifications-based requirement for procurement, the federal requirements in [40 U.S.C. 1101 et seq.](#) apply.

E. Cybersecurity Condition

(a) The recipient agrees that when collecting and managing environmental data under this assistance agreement, it will protect the data by following all applicable State or Tribal law cybersecurity requirements.

(b) (1) EPA must ensure that any connections between the recipient's network or information system and EPA networks used by the recipient to transfer data under this agreement, are secure. For purposes of this Section, a connection is defined as a dedicated persistent interface between an Agency IT system and an external IT system for the purpose of transferring information. Transitory, user-controlled connections such as website browsing are excluded from this definition.

If the recipient's connections as defined above do not go through the Environmental Information Exchange Network or EPA's Central Data Exchange, the recipient agrees to contact the EPA Project Officer no later than 90 days after the date of this award and work with the designated Regional/Headquarters Information Security Officer to ensure that the connections meet EPA security requirements, including entering into Interconnection Service Agreements as appropriate. This condition does not apply to manual entry of data by the recipient into systems operated and used by EPA's regulatory programs for the submission of reporting and/or compliance data.

(2) The recipient agrees that any subawards it makes under this agreement will require the subrecipient to comply with the requirements in (b)(1) if the subrecipient's network or information system is connected to EPA networks to transfer data to the Agency using systems other than the Environmental Information Exchange Network or EPA's Central Data Exchange. The recipient will be in compliance with this condition: by including this requirement in subaward agreements; and during subrecipient monitoring deemed necessary by the recipient under [2 CFR 200.332\(d\)](#), by inquiring whether the subrecipient has contacted the EPA Project Officer. Nothing in this condition requires the recipient to contact the EPA Project Officer on behalf of a subrecipient or to be involved in the negotiation of an Interconnection Service Agreement between the subrecipient and EPA.

F. Signage

The recipient is required to place a physical sign displaying the EPA logo at the construction

site for this project in an easily visible location that can be directly linked to the work taking place. The sign must be maintained in good condition throughout the construction period. In cases where the construction site covers a large area (e.g., lead service line replacement or septic tank repair/replacement projects), a sign should be placed in an easily visible location near where the work is being performed (e.g., entrance to the neighborhood, along a main road through town, etc.). Signage costs are considered an allowable grant expense, provided the costs associated with the signage are reasonable. Additionally, to increase public awareness of projects serving communities where English is not the predominant language, assistance recipients are encouraged to translate the language on signs (excluding the EPA logo or seal) into the appropriate non-English language(s). The costs of such translation are allowable grant expenses, provided the costs are reasonable.

Procuring Signs: Consistent with section 6002 of RCRA, 42 U.S.C. 6962, and 2 CFR 200.323, recipients are encouraged to use recycled or recovered materials when procuring signs.

EPA Logo: The recipient will ensure that signage displays the EPA logo. The EPA logo must not be displayed in a manner that implies that EPA itself is conducting the project. Instead, the EPA logo must be accompanied with a statement indicating that the recipient received financial assistance from EPA for the project.

The recipient will ensure compliance with the sign specifications provided by the EPA Office of Public Affairs (OPA) available at: <https://www.epa.gov/grants/epa-logo-seal-specifications-signage-produced-epa-assistance-agreement-recipients>. As provided in the sign specifications from OPA, the EPA logo is the preferred identifier for assistance agreement projects and use of the EPA seal requires prior approval from the EPA. To obtain the appropriate EPA logo or seal graphic file, the recipient should send a request directly to [Londa Scott-Forte \(202-564-1504\)](#) and [Jini Ryan \(202-564-1075\)](#). Please explain in the message that the EPA logo is to be used on signage at a construction site funded with EPA assistance and copy the EPA Project Officer on the message.

G. Public or Media Events

The Recipient agrees to notify the EPA Project Officer listed in this award document of public or media events publicizing the accomplishment of significant events related to construction projects as a result of this agreement and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.

H. Federal Cross-cutting Requirements/Other Applicable Federal Laws

Recipient must comply with federal cross-cutting requirements as well as other applicable federal laws as provided in EPA's [Community Grants Program Final Implementation Guidance](#), October 2022.

I. American Iron and Steel (AIS)

AIS requirements apply to State Revolving Fund assistance agreements signed on or after January 17, 2014, including all treatment works projects funded by a CWSRF assistance agreement and all public water system projects funded by a DWSRF assistance agreement

signed on or after January 17, 2014. Based on the FY 2022 Consolidated Appropriations Act directive Congressional language ("Applicable Federal requirements that would apply to a Clean Water State Revolving Fund or Drinking Water State Revolving Fund project grant recipient shall apply to a grantee receiving a CPF grant under this section"), AIS requirements apply to this award agreement.

(a) *Definitions.* As used in this award term and condition—

(1) "iron and steel products" mean the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.

(2) "steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

(b) *Domestic preference.*

(1) This award term and condition requires that all iron and steel products used for a project for the construction, alteration, maintenance or repair of a public water system or treatment work are produced in the United States except as provided in paragraph (b)(2) of this section and condition.

(2) This requirement shall not apply in any case or category of cases in which the Administrator of the Environmental Protection Agency finds that—

(i) applying the requirement would be inconsistent with the public interest;

(ii) iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or

(iii) inclusion of iron and steel products produced in the United States will increase the cost of the overall project by more than 25 percent.

(3) The Build America, Buy America (BABA) Act requirements do not supersede the AIS requirements, and both provisions still apply and work in conjunction. Compliance with AIS requirements meets the BABA requirements for iron and steel.

(c) *Request for a Waiver under (b)(2) of this section*

(1) Any recipient request to use foreign iron or steel products in accordance with paragraph

(b)(2) of this section shall include adequate information for federal Government evaluation of the request, including—

(i) A description of the foreign and domestic iron, steel, and/or manufactured goods;

- (ii) Unit of measure;
- (iii) Quantity;
- (iv) Cost;
- (v) Time of delivery or availability;
- (vi) Location of the project;
- (vii) Name and address of the proposed supplier; and
- (viii) A detailed justification of the reason for use of foreign iron or steel products cited in accordance with paragraph (b)(2) of this section.

(2) If the Administrator receives a request for a waiver under this section, the waiver request shall be made available to the public for at least 15 days prior to making a finding based on the request.

(3) Unless the Administrator issues a waiver of this term, use of foreign iron and steel products is noncompliant with P.L. 117-103 and the Explanatory Statement for Division G of P.L. 117-103.

(d) This term and condition shall be applied in a manner consistent with United States obligations under international agreements.

J. Build America, Buy America Act

This term and condition supplements the “Build America, Buy America” term and condition included in EPA's [General Terms and Conditions](#).

(a) Definitions.

As used in this award term and condition —

(1) “Construction materials” includes an article, material, or supply—other than an item of primarily iron or steel; a manufactured product; cement and cementitious materials; aggregates such as stone, sand, or gravel; or aggregate binding agents or additives—that is or consists primarily of:

- non-ferrous metals;
- plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables);
- glass (including optic glass);
- lumber; or

- drywall.

(2) "Domestic content procurement preference" means all iron and steel used in the project are produced in the United States; the manufactured products used in the project are produced in the United States; or the construction materials used in the project are produced in the United States.

(3) "Infrastructure" includes, at a minimum, the structures, facilities, and equipment for, in the United States, roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property. Infrastructure includes facilities that generate, transport, and distribute energy.

(4) "Project" means the construction, alteration, maintenance, or repair of infrastructure in the United States.

(b) Domestic Preference.

This term and condition implements the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, including Build America, Buy America Act, Pub. L. No. 117-58, §§70901-52. None of the funds provided under this award may be used for a project for infrastructure unless:

(1) all iron and steel used in the project are produced in the United States--this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;

(2) all manufactured products used in the project are produced in the United States—this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and

(3) all construction materials (excluding cement and cementitious materials, aggregates such as stone, sand, or gravel, or aggregate binding agents or additives) are manufactured in the United States. All manufacturing processes for the construction material occurred in the United States.

(4) The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

(c) Waiver Request.

- (1) When necessary, recipients may apply for a waiver from these requirements.
- (2) A request to waive the application of the domestic content procurement preference must be in writing and submitted following the waiver instructions at <https://www.epa.gov/cwsrf/build-america-buy-america-baba>.
- (3) Waiver requests are subject to public comment for at least 15 days prior to making a finding based on the request.
- (4) Waiver requests are subject to review by the Office of Management and Budget's Made in America Office.
- (5) There may be instances where an award qualifies, in whole or in part, for an existing waiver described at <https://www.epa.gov/cwsrf/build-america-buy-america-baba-approved-waivers>.
- (6) The U.S. Environmental Protection Agency may grant a waiver based upon one of the exceptions as established in Section 70914(b) of the Infrastructure Investment and Jobs Act and further described in the Office of Management and Budget Memorandum M-22-11.
- (7) Any recipient waiver request to use foreign iron, steel, manufactured products, and/or construction materials in an infrastructure project shall include adequate information for the Federal Government evaluation of the request, including—
 - i. The Federal Award Identification Number (FAIN);
 - ii. Location and description of the project;
 - iii. Total cost of infrastructure expenditures, including federal and non-federal funds;
 - iv. List of iron or steel item(s), manufactured products, and construction material(s) proposed to be excepted from Buy America requirements, including name, cost, country(ies) of origin (if known), relevant Product Services Code (PSC) and North American Industry Classification System (NAICS) code for each, unit of measure, quantity, time of delivery or availability, and name and address of the proposed supplier;
 - v. A detailed justification of the reason for use of foreign iron, steel, manufactured products, and/or construction materials;
 - vi. Anticipated impact if no waiver is issued; and
 - vii. A certification that the federal official or assistance recipient made a good faith effort to solicit bids for domestic products supported by terms included in requests for proposals, contracts, and nonproprietary communications with the

prime contractor.

(8) Unless a waiver applies, use of foreign iron, steel, manufactured products, and/or construction materials that are consumed in, incorporated into, or affixed to an infrastructure project is noncompliant with this term and condition pursuant to the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, including Build America, Buy America Act, Pub. L. No. 117-58 §§70901-52.

(d) Waiver Evidence Submission.

(1) **Maintain** documentation of any use of materials which are considered de minimis and are covered by an [existing waiver](#) (e.g. miscellaneous, generally low-cost products that are essential for construction and are incorporated into the physical structure of the project) with grant project files for a period of three years from the date of submission of the final expenditure report, in accordance with [2 CFR 200.334](#).

(2) If recipient seeks coverage under an existing [BABA waiver](#), recipient agrees to submit available evidence to the EPA project officer to support such a determination as identified in the BABA waiver. Recipient shall maintain this evidence with grant project files for a period of three years from the date of submission of the final expenditure report, in accordance with [2 CFR 200.334](#).

K. Environmental Review

In accordance with the requirements of the National Environmental Policy Act, EPA has issued a Finding of No Significant Impact for this project in accordance with provisions in [40 CFR Part 6](#). If the scope of the project changes, Recipient understands that additional environmental review may be necessary.

L. Davis-Bacon

(a) Applicability of the Davis-Bacon (DB) Prevailing Wage Requirements.

The recipient agrees to include in all procurement contracts and subawards to provide assistance for the construction, alteration, and repair of treatment works carried out in whole or in part with funds made available by the FY 2022 Consolidated Appropriations Act a term and condition requiring compliance with section 513 of the Federal Water Pollution Control Act, also known as the Clean Water Act (CWA), and section 1450(e) of the Safe Drinking Water Act (SDWA) (42 U.S.C. 300j-9(e)) and require that procurement contractors and sub-grantees include such a term and condition in subcontracts and other lower tiered transactions. All contracts and subcontracts in excess of \$2,000 for the construction of treatment works carried out in whole or in part with assistance made available as stated herein shall include in full in the contract clauses as attached hereto entitled "Wage Rate Requirements Under the Clean Water Act, Section 513 and the Safe Drinking Water Act, Section 1450(e)." This term and condition applies to all sub agreements to provide assistance under the authorities referenced herein, whether in the form of a subgrant, or any other vehicle to provide financing for a project.

If the recipient encounters a unique situation at a site that presents uncertainties regarding DB applicability, the recipient must discuss the situation with EPA before authorizing work on that site.

(b) Obtaining Wage Determinations.

(1) Unless otherwise instructed by EPA on a project specific basis, the recipients shall use DOL General Wage Classifications for the locality in which the construction activity subject to DB will take place. Recipients must obtain proposed wage determinations for specific localities at [SAM.gov](https://sam.gov). If the recipient is a non-governmental entity, after the recipient obtains its proposed wage determination, it must submit the wage determination to EPA_Grants_Info@epa.gov, for approval prior to inserting the wage determination into a solicitation, contract or before issuing task orders, work assignments, or similar instruments to existing contractors (ordering instruments) unless subsequently directed otherwise by EPA's Award Official.

Note: Recipients must discuss unique situations that may not be covered by the DOL General Wage Classifications with EPA. If, based on discussions with a recipient, EPA determines that DB applies to a unique situation (e.g., unusually extensive excavation) the Agency will advise the recipient which General Wage Classification to use based on the nature of the construction activity at the site.

(2) Recipients shall obtain the wage determination for the locality in which a Community Grants activity subject to DB will take place *prior* to issuing requests for bids, proposals, quotes, or other methods for soliciting contracts (solicitation) for activities subject to DB. These wage determinations shall be incorporated into solicitations and any subsequent contracts. Prime contracts must contain a provision requiring that subcontractors follow the wage determination incorporated into the prime contract.

(i) While the solicitation remains open, the recipient shall monitor [SAM.gov](https://sam.gov) on a weekly basis to ensure that the wage determination contained in the solicitation remains current. The recipient shall amend the solicitation if DOL issues a modification more than 10 days prior to the closing date (i.e., bid opening) for the solicitation. If DOL modifies or supersedes the applicable wage determination less than 10 days prior to the closing date, the recipient may request a finding from EPA that there is not a reasonable time to notify interested contractors of the modification of the wage determination. EPA will provide a report of the Agency's finding to the recipient.

(ii) If the recipient does not award the contract within 90 days of the closure of the solicitation, any modifications DOL makes to the wage determination contained in the solicitation shall be effective unless EPA, at the request of the recipient, obtains an extension of the 90-day period from DOL pursuant to 29 CFR 1.6(c)(3)(iv). The recipient shall monitor [SAM.gov](https://sam.gov) on a weekly basis if it does not award the contract within 90 days of closure of the solicitation to ensure that wage determinations contained in the solicitation remain current.

(iii) If the recipient carries out a Community Grants activity subject to DB by issuing a task order, work assignment or similar instrument to an existing

contractor (ordering instrument) rather than by publishing a solicitation, the recipient shall insert the appropriate DOL wage determination from SAM.gov into the ordering instrument.

(3) Recipients shall review all subcontracts subject to DB entered into by prime contractors to verify that the prime contractor has required its subcontractors to include the applicable wage determinations.

(4) As provided in 29 CFR 1.6(f), DOL may issue a revised wage determination applicable to a recipient's contract after the award of a contract or the issuance of an ordering instrument if DOL determines that the recipient has failed to incorporate a wage determination or has used a wage determination that clearly does not apply to the contract or ordering instrument. If this occurs, the recipient shall either terminate the contract or ordering instrument and issue a revised solicitation or ordering instrument or incorporate DOL's wage determination retroactive to the beginning of the contract or ordering instrument by change order. The recipient's contractor must be compensated for any increases in wages resulting from the use of DOL's revised wage determination.

(c) Contract and Subcontract Provisions

(1) The recipient shall insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of treatment works, and construction projects that would be [eligible under the Drinking Water State Revolving Fund Program](#), and which is subject to the labor standards provisions of any of the acts listed in § 5.1 or Title VI of the CWA or Section 1452(a)(5) of the SDWA, the following labor standards provisions.

(i) Minimum wages.

(l) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the applicable wage determination of the Secretary of Labor which the recipient obtained under the procedures specified in Item(b) Obtaining Wage Requirements, above, and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (1)(i)(IV) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to

skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (1)(i)(II) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers. Recipients shall require that the contractor and subcontractors include the name of the recipient employee or official responsible for monitoring compliance with DB on the poster. Recipients may obtain wage determinations from <https://sam.gov/content/wage-determinations>.

(II)(A) The recipient, on behalf of EPA, shall require that contracts and subcontracts entered into under this agreement provide that any class of laborers or mechanics, including helpers, which is not listed in the wage determination, and which is to be employed under the contract shall be classified in conformance with the wage determination. The EPA Award Official shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

- (1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and
- (2) The classification is utilized in the area by the construction industry; and
- (3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(II)(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the recipient agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the recipient to the EPA Award Official. The Award Official will transmit the report, to the Administrator of the Wage and Hour Division (WHD) at whd-cbaconformance_incoming@dol.gov. The WHD Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the Award Official or will notify the Award Official within the 30-day period that additional time is necessary.

(II)(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the recipient do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the award official shall refer the questions, including the views of all interested parties and the recommendation of the Award Official, to the WHD Administrator for determination. The WHD Administrator, or an authorized representative, at whd-cbaconformance_incoming@dol.gov will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the Award

Official within the 30-day period that additional time is necessary.

(II)(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (1)(i)(II)(B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(III) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(IV) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, provided that the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account, assets for the meeting of obligations under the plan or program.

(ii) Withholding. The recipient, upon written request of the Award Official or an authorized representative of the Department of Labor, shall withhold or cause to withhold from the contractor under this contract or any other federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, EPA may, after written notice to the contractor, or recipient take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(iii) Payrolls and basic records.

(l) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made, and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the

commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(II)(A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the recipient who will maintain the records on behalf of EPA. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead, the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division website at <https://www.dol.gov/whd/forms/wh347.pdf> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker and shall provide them upon request to the recipient for transmission to the EPA, if requested by EPA, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the recipient.

(II)(B) Each payroll submitted to the recipient shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR Part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR Part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR Part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination

incorporated into the contract.

(II)(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (1)(iii)(II)(B) of this section.

(II)(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

(III) The contractor or subcontractor shall make the records required under paragraph (1)(iii)(I) of this section available for inspection, copying, or transcription by authorized representatives of the EPA or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, EPA may, after written notice to the contractor, recipient, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(iv) Apprentices and Trainees.

(I) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the

provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the WHD Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(II) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(III) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

(v) Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR Part 3, which are incorporated by reference in this contract.

(vi) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA may by appropriate instructions require, and also a clause requiring the

subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this term and condition.

(vii) Contract termination: debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(viii) Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract.

(ix) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors), the recipient, borrower or subrecipient and EPA, the U.S. Department of Labor, or the employees or their representatives.

(x) Certification of eligibility.

(I) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(II) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(III) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

(d) Contract Provisions for Contracts in Excess of \$100,000.

(1) Contract Work Hours and Safety Standards Act. The recipient shall insert the following clauses set forth in paragraphs (1)(i), (ii), (iii), and (iv) of this section in full in any contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by Item (c) Contract and Subcontract Provisions, above, or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

(i) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of

forty hours in such workweek.

(ii) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1)(i) of this section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1)(i) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1)(i) of this section.

(iii) Withholding for unpaid wages and liquidated damages. The recipient, upon written request of the Award Official or an authorized representative of the Department of Labor, shall withhold or cause to withhold from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (1)(ii) of this section.

(iv) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1)(i) through (iv) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1)(i) through (iv) of this section.

(2) In addition to the clauses contained in Item (c) Contract and Subcontract Provisions, above, in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in [29 CFR 5.1](#), the recipient shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the recipient shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of EPA and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

(e) Compliance Verification.

(1) The recipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(6), all interviews must be conducted in confidence. The recipient must use [Standard Form \(SF\) 1445](#) or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.

(2) The recipient shall establish and follow an interview schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, the recipient must conduct interviews with a representative group of covered employees within two weeks of each contractor or subcontractor's submission of its initial weekly payroll data and two weeks prior to the estimated completion date for the contract or subcontract. Recipients must conduct more frequent interviews if the initial interviews or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. Recipients shall immediately conduct necessary interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence.

(3) The recipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The recipient shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, the recipient must spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date the contract or subcontract. recipients must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. In addition, during the examinations, the recipient shall verify evidence of fringe benefit plans and payments thereunder by contractors and subcontractors who claim credit for fringe benefit contributions.

(4) The recipient shall periodically review contractor and subcontractor use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of, laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Item 5(b) and (c) above.

(5) Recipients must immediately report potential violations of the DB prevailing wage requirements to the EPA DB contact listed above and to the appropriate DOL Wage and Hour District Office listed at <https://www.dol.gov/whd/america2.htm>.

M. Equipment Disposition

In accordance with [2 CFR 200.313](#), when original or replacement equipment acquired under this agreement is no longer needed for the original project or program or for other activities currently or previously supported by EPA, the recipient must request disposition instructions from the EPA Project Officer.

N. Sites, Easements, and Rights-of-Way

The recipient shall submit an acceptable legal opinion that the necessary sites and easements and/or rights-of-way have been obtained and that they are free of any restrictions or encumbrances that might restrict their use for the purpose intended. Said opinion shall be submitted to EPA no later than the time at which the recipient requests approval to award construction contracts.

O. Operation and Maintenance

The recipient agrees to certify that it will properly operate and maintain all facilities partially funded by this grant for the useful life of the facilities as indicated below. These certifications will be submitted to EPA prior to final payment.

Useful Life Timeframes

- Land - Permanent
- Wastewater/Water Conveyance Structures: collection systems, pipes, interceptors, force mains, tunnels, distribution lines, etc. - 40 years
- Other Structures: plant buildings, concrete tankage, basins, lift stations and pump station structures, inlet structures, etc. - 30 years
- Wastewater and Drinking Water Process Equipment - 15 years
- Auxiliary Equipment - 10 years

Chair Champion and Committee Members, my name is Douglas Gregor, and I am the Mayor of the City of Aurora and also the Chair of the independent joint power entity known as the East Range Joint Water Board. I am here today in support of Senate File 3756. Thank you, Senator Hauschild, for introducing this bill.

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Aurora is a small mining town located on the East End of Minnesota's Iron Range. It is surrounded by the Town of White. Together our two communities participate in a water system that serves about 950 customers. The City and Town have spearheaded the first phase of our joint East Range drinking water project that is designed ultimately to serve a total of four East Range communities and approximately 3,500 customers.

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After more than 10 years of planning and fund raising, bids for the \$33 million Project were finally awarded on February 2 of this year. In order to complete the funding package for the Project, Aurora and the Town had to commit to take on a \$ 12 million DWRP loan and, most significantly, to implement an associated water service rate ramp-up schedule that could - over the 2 ½ year course of the Project's construction - raise our water service customer rates to **\$75.00 per month** - a rate that would be **VASTLY in excess** of the PFA's calculated "affordability rate" for our customer base. That Affordability Rate is approximately \$31.52 per month due to the City's very

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low LMI status -- with a median household income level of only \$32,287 – one of the very lowest in the State.

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The Project will receive a \$5 million WIF grant to help finance a portion of our Project costs. Officials at the PFA have indicated that our Project **could be eligible** for a significantly larger grant – one in excess of \$5 million- **-IF Minnesota Statutes Section 446A.072 is amended** as proposed in the bill before you.

Infrastructure project costs have increased dramatically in recent years. The engineer's cost estimates for our Project increased from \$17.2 million in 2017 to the current \$33 million level – an increase of nearly 92%. The statutory "cap" provisions of Section 446A.072 very obviously **have not kept step with the rising costs of those projects for which the WIF grants exist to help fund.**

On behalf of our Project's water service customers and similarly situated customers of poorer communities across the State, I urge you to approve SF 3756 to raise the WIF grant cap amount to \$10 million.

Thank you again for your consideration of SF 3756 and I stand prepared to answer any questions.



**BOLTON
& MENK**

Real People. Real Solutions.

5. D

4960 Miller Trunk Highway
Suite 550
Duluth, MN 55811

Ph: (218) 729-5939
Bolton-Menk.com

MEMORANDUM

Date: March 14, 2024
To: East Range Water Board
From: Joshua G. Stier, PE
Brian Gulden, PE
Jacob Crispo, PE
Subject: Engineering Project Updates – ERWB Water Project

On February 28th, the East Range Water Board (ERWB) approved Bolton & Menk, Inc to provide Value Engineering and Construction Services for the Water Treatment and Supply Improvements project. This memorandum provides a preliminary schedule of our current approach the value engineering services, status update on items completed and list of items we have identified that require further investigation.

Our schedule to initiate the Value Engineering services is as follows:

- March 12: Technical Committee Meeting 1 – ERWB Members and BMI (Completed)
- March 18: Value Engineering Meeting (Meet with Magney Construction)
- April 8 (Tentative): Technical Committee Meeting 2
- April 17: Provide Status Update to ERWB

On March 12th, the Bolton & Menk team met with members of the ERWB and support staff to review the design plans as bid, discuss overall project scope, and identify opportunities to increase project value. Based on discussion and feedback from the technical committee, the following items are being investigated to improve project value and potentially generate cost savings.

- Remove water plant permanent generators from bid and develop contingency emergency power plan that utilizes rental generators and quick connections for electrical.
- Optimize/reduce depth of the raw water intake structure based on updated water study
- Evaluate shorter alignment opportunities on segments of the watermain near Pineville
- Evaluate need for raw watermain infrastructure including number of valves and hydrants
- Reduce architectural features of the building (e.g. sloped roof, windows, extra building space)
- Optimize water treatment processes and components (e.g. chemical feed, electronics)

This information attained from the first technical committee meeting will be used to guide conversation on March 18th with our technical team and Magney Construction, Inc (CMAR). On April 8th we plan to meet with the technical committee to review concepts to reduce cost and ultimately provide these to the ERWB on April 17th.

On March 13th, we requested all pertinent information required from Short Elliott Hendrickson (SEH).

Name: Engineering Projects Update

Date: March 14, 2024

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Bolton & Menk has been in contact with the Minnesota Department of Natural Resource to discuss the status of the water appropriations permit. An additional status update regarding the permit will be provided later.

A preliminary public engagement plan has been developed to be implemented during the construction of the water transmissions lines. The purpose of the plan is to identify the proper approach to engaging the residents impacted by the watermain disruption. It anticipated that a combination of tools will be used including an open house prior to construction, project website, and text messaging tools.

A draft contract for professional services has been included for your review.

enclosures

Communications Plan

East Range Water Treatment & Distribution
Range

East Range Water Board



Real People. Real Solutions.

Project Summary

Project Item	Item Description
Public project name	East Range Water Treatment Plant & Distribution Range
Project area	City of Aurora/Town of White
Schedule	2024
Branding	City of Aurora branding
Website	Created and hosted by Bolton & Menk

Project Description & Purpose

The East Range Water Board will be creating new service line

The public involvement plan's purpose includes:

- Effectively engage the public and stakeholders
- Gathering input and ensure issues, concerns, and aspirations are consistently collected, understood, and considered
- The process is intended to be inclusive and offer a variety of ways to participate

Project Engagement Goals

This project will seek to engage the public in unique ways to meet the project goals.

1. Ensure that project information is made available to the public in a clear, and effective manner.
2. Gather meaningful feedback from stakeholders to develop a community-supported project design.
3. Ensure that stakeholder questions and concerns are heard and addressed.
4. Maintain and strengthen the relationship between the City of Aurora, the project team, and project stakeholders.
5. Document the progress and effectiveness of the communications plan.

Key Stakeholders

A spreadsheet will be maintained throughout the project to build a comprehensive list of stakeholders and their contact information. Key stakeholder groups identified by the Community Profile include:

- Project Management Team (See [Appendix A](#))
- East Range Water Board
- City of Aurora
- Town of White
- Property and business owners
- Emergency services
- Utilities and services
- Religious institutions

Engagement Tools

Public Meeting (1)

Public Meetings serve as an opportunity for stakeholders to learn about project information, provide their feedback, and learn how to stay informed. Our team will hold one public meeting to share information about the project and hear from residents about their questions and concerns. This meeting will be held in-person with meeting materials made available on the project webpage. The webpage will serve as a virtual alternative to the open houses to increase access for all residents. All materials for the open houses will be developed on an as-needed basis.

Project webpage

The project webpage will be home to all project information including regular project updates, open house information, and any other supplemental items related to the project, and will be hosted on the through a Bolton & Menk Storymap site. All communications will refer to the project audience to continuously check back to the webpage for up-to-date information.

Email & text subscriptions

We will host a project notification subscription on the project website. This allows the public to sign up for email and text message updates. Updates will be sent out to notify stakeholders of upcoming engagement opportunities and significant project updates as needed.

Social media

Social media will be leveraged to promote various public engagement opportunities and general project information. These posts will direct community members to the project website to learn more about how to get involved.

Promotional/Informational handouts

The team will develop handouts with key information about the project, including project scope, benefits, and a project timeline. Project handouts will also have a QR code for stakeholders directing them to the project webpage. These handouts will be available on the project webpage, at public meetings, and at events.

Appendix A: Engagement Team & Roles

Name	Organization	Role	Email
Josh Stier	Bolton & Menk, Inc.	Project Manager	Josh.Stier@bolton-menk.com
Rachel LeMire	Bolton & Menk, Inc.	Engagement Support	Rachel.LeMire@bolton-menk.com
Jodi Knaus	Town of White	City Clerk	Jodi.knaus@townofwhite.com
Lucas Heikkila	City of Aurora	City Administrator	Lucash@ci.aurora.mn.us