



AECOM  
1555 N. RiverCenter Drive  
Suite 214  
Milwaukee, WI 53212  
  
T: +1-414-944-6080  
aecom.com

January 8, 2026

**AECOM Project No.**  
**60766474**

Mr. Nate Tillis  
Wastewater Utility Director  
Racine Wastewater Utility  
800 Center Street, Rm 227  
Racine, WI 53403

**Subject: AECOM Request for Contract Modification  
Racine Blower and Engine/Generator Project Contract C-22**

Dear Mr. Tillis:

AECOM is respectfully requesting a modification to our Consulting Services Agreement for CRS for Blower and Engine Generator Project as a result of changes to the project since construction started in May 2023. This is a revised request based on discussions between AECOM and the utility conducted since our original request of July 18, 2025.

August Winter is currently forecasting substantial completion as early as April 17, 2026. AECOM is forecasting that our services will likely be required through the first week of June 2026. June 5, 2026 represents an extension of 57 weeks over the original duration included in our contract. This extended duration affects our construction support and project management efforts. In addition, AECOM has spent significantly more engineering than originally anticipated to resolve field issues and work with August Winter and their subcontractors and vendors to resolve equipment related items. The following tasks are included in our request for a contract modification.

#### **Task 2 – Construction Services**

Construction administration and observation services were budgeted for a total of 24 months from the Contractor Notice To Proceed through Final Completion. This is stated in Paragraph A, Exhibit A Scope of Services in our agreement with the Utility. The NTP was effective May 4, 2023. Substantial completion may be as late as June 5, 2026. This is an extension of 57 weeks.

The Utility and AECOM have agreed to additional compensation of \$50,000 for the extended services.

#### **Task 3 – Engineering Support**

Project Management: Project management by AECOM is also extended by the same 57 weeks cited above.

Discipline Engineering Support: As you are aware, AECOM has spent considerable time and effort on engineering support for this project. An amount for this support to address RFIs and submittal reviews was included in the original contract as part of Task 3. To date AECOM has exceeded the original contract by approximately \$302,000 for the engineering support tasks. None of the efforts to sort out NFPA 820 compliance are included in this request.

To date AECOM has spent approximately \$14,000 supporting the Utility in resolving the issue of the defective heat exchangers. AECOM reserves the right to seek additional compensation for these efforts.

AECOM and Utility have agreed to additional compensation of \$84,425 to cover a portion of this overage. This is based on partial recovery of the actual amount spent on submittal reviews and partial recovery of the design engineering support for mechanical and electrical that has exceeded the original project budget.

These additional engineering services were provided to address the following:

- Conflicting communications from ABB regarding rebuilding existing electrical equipment. This resulted in the addition of an additional piece of switchgear for the motor starter. This added section necessitated detailed engineering to locate a suitable location for the new sections to avoid existing equipment, pipe and concrete beams and structures.
- Additional time- both calendar and effort- to review and negotiate electrical submittals because ABB did not provide sufficient information for review. Submittals were delayed, required multiple reviews, and a high degree of effort in meetings and discussion to resolve. This was unnecessarily complicated by August

Winter's refusal to clearly note deviations from the specifications as required by the Contract Documents at the start of the discussion and submittal process.

- Pieper missing the load interrupting switch section in their bid. The switch section was clearly shown, and August Winter did not meet the specification in their bid. Engineering effort by AECOM to resolve this is out of scope.
- Pieper missing the Kraft power connection in the original bid. This required additional engineering effort to resolve.
- Lack of exhaust, electrical and control detail provided by Kraft during design phase. This resulted in additional effort for submittal review and coordination to accommodate the final Kraft equipment package. The increased size of the exhaust pipe and silencer necessitated redesign of the equipment arrangement in the lower level to accommodate.

Additionally, AECOM has provided design services for several value-added items not anticipated in the original scope:

- 3D Model for engine-generator and blower: \$24,900
- WCD-010 Heat Exchanger Header Revisions: \$6,200
- WCD-008 Bypass Valves: \$5,900
- WCD-011 CWP-4 (additional cooling water pump): \$4,000

These items total \$41,000, not included in the \$84,425 addressed previously.

## Contract Modification Summary

| Item  | Fee Request      |
|---|------------------|
| Construction Observation and Administration | \$50,000         |
| PM and Engineering Support                  | \$84,425         |
| Design Services- Value Added Items          | \$41,000         |
|   |                  |
| <b>Total Contract Modification 1</b>        | <b>\$175,425</b> |

Attached is a Contract Modification form that can be fully executed once the modification is approved by the Commission. AECOM has continued to work in good faith and confidence that this modification will be approved at the Commission meeting on January 21, 2026.

Please contact us if you have any questions.

Yours sincerely,



Ross Hillsman  
Associate Vice President  
AECOM  
T: 319.874.6583  
E: [ross.hillsman@aecom.com](mailto:ross.hillsman@aecom.com)



Michael Zapinski  
Project Director  
AECOM  
T: 414.944.6204  
E: [mike.zapinski@aecom.com](mailto:mike.zapinski@aecom.com)