

Supplemental Letter Agreement

In accordance with the Master Agreement for Professional Services between Racine Water & Wastewater Utilities ("Client"), and Short Elliott Hendrickson Inc. ("Consultant"), effective November 3, 2016, this Supplemental Letter Agreement dated February 16, 2023 authorizes and describes the scope, schedule, and payment conditions for Consultant's work on the Project described as: Biogas Conditioning Construction Engineering.

Client's Authorized Representative: Nate Tillis
Address: City Hall Annex, 800 Center Street, Rm 227, Racine, Wisconsin, 53403
Telephone: 262.636.9434 **email:** nate.tillis@cityofracine.org

Project Manager: Alan Bush
Address: 809 North 8th Street, Suite 205, Sheboygan, Wisconsin, 53081
Telephone: 920.287.0828 **email:** abush@sehinc.com

Scope: The Services to be provided by Consultant as described below:

The scope of work will include providing construction engineering services for the entire 18 months of the construction period, and resident project representative (RPR) services. The Biogas Conditioning Construction Project (Racine Contract D-22) is based on the Project Plans and Specification submitted to the Wisconsin DNR in September 2022.

The Scope of Work for Construction Engineering shall be as follows:

- Coordination and correspondence with the Client for decisions to be made and for updates and questions during the construction process.
- Preconstruction Meeting with General Contractor, major sub-contractors, Client, and Consultant will be scheduled and attended. This meeting will review schedule, staging, dates of submittals, payment requirements, funding requirements, and responsibilities. An agenda and meeting minutes will be prepared and distributed by the Consultant.
- Shop Drawings will be reviewed for all equipment, structures, and appurtenances that will have shop drawings prepared per the specifications. Shop Drawings shall be approved by the General Contractor and then reviewed by the Consultant for compliance with the specifications. Certain items with color choices or textures will need Client input. It is anticipated that approximately 63 shop drawings will be submitted through the course of construction. They will be reviewed by the appropriate staff. Consultant will perform the reviews for architectural, civil, process, structural, and wastewater equipment.
- Consultant shall review and respond to requests for information (RFI) throughout the construction period. It is normal during construction projects for contractors to request information on specific installation/construction details and for unanticipated site conditions to occur. The Consultant will review and answer the questions based on our intent and knowledge of the design. Some RFI responses will modify the design based on field conditions.
- If merited, change orders will be reviewed and presented to the Client. During the course of construction, it is anticipated there will be changes to the Work. Change orders will be processed by the Consultant as necessary.
- Monthly construction progress meetings will be held at the Racine WWTP with the General Contractor, the Client and Consultant. Each meeting will have an agenda and minutes distributed to attendees. It is anticipated there will be approximately 15 monthly progress meetings due to some months having very little to no work occurring on site.
- Consultant will review and approve the partial payment applications from the General Contractor over the construction period. Wage Rate Compliance will not be reviewed under this contract but will be reviewed by the Client's Clean Water Fund consultant.

- Consultant will correspond with the General Contractor, Client, Regulatory Agencies, internal consultant team, sub-consultants, vendors, and manufacturers as needed.
- Consultant will perform monthly site visits in conjunction with monthly progress meetings or during critical construction times.
- Consultant will review vendor operation and maintenance (O&M) manual information submitted by the Contractor for biogas conditioning equipment furnished under the construction contract. The review will be for completeness of O&M information.
- Assist the Client with startup of the Biogas Conditioning Equipment. Consultant will be present for startup of critical pieces of equipment and to assist with Client training.
- Schedule and attend the Substantial and Final Completion walk-throughs. All work will be reviewed to determine substantial and final completion. Consultant will develop punch lists of items that need correcting and monitor the progress.
- Record Drawings will be prepared using the General Contractor's measurements that they are required to record, as well as any design changes identified by RFI/Change Order/etc.

The Scope of Work for Resident Project Representative (RPR) Services is as follows:

- The construction contract period is 18 months, from Notice to Proceed until substantial completion. An RPR will be provided for the entire construction process. It is anticipated that construction activity requiring an RPR will occur during 15 months. The estimated RPR effort is based on full time (40-hour weeks) and part-time (24, 16, 8-hour weeks) depending on the Work being performed at the site. RPR level of effort is based on the following anticipated schedule, for a total of 1,248 hours.
 - 3 months of full time - 40 hours/week (including travel time to and from the project site)
 - 3 months of 3 days/week - 24 hours/week (including travel time)
 - 3 months of 2 days/week - 16 hours/week (including travel time)
 - 6 months of 1 day/week - 8 hours/week (including travel time)
- RPR services will be provided in accordance with attached Exhibit B.

Schedule: Shop Drawing review will likely be initiated in April-May 2023. Contractor will likely start work in summer 2023 and continue through fall 2024.

Payment:

The total fee for Construction Engineering is estimated not to exceed \$83,460 including expenses and equipment, see Exhibit A-1.

The total fee for the Resident Project Representative (RPR) is estimated not to exceed \$157,940 including expenses and equipment, see Exhibit B.


The payment method, basis, frequency, and other special conditions are set forth in attached Exhibit A-1.

The estimated hours for the above work are included as Exhibit C.

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

Short Elliott Hendrickson Inc.

Racine Water & Wastewater Utilities

By: 
 Full Name: Alan Bush
 Title: Senior Professional Engineer


By: 
 Full Name: Nathaniel T. Ellis
 Title: Wastewater Utility Director

Exhibit A-1
to Supplemental Letter Agreement
Between Racine Water & Wastewater Utilities (Client)
and
Short Elliott Hendrickson Inc. (Consultant)
Dated February 16, 2023

Payments to Consultant for Services and Expenses
Using the Hourly Basis Option

The Agreement for Professional Services is amended and supplemented to include the following agreement of the parties:

A. Hourly Basis Option

The Client and Consultant select the hourly basis for payment for services provided by Consultant. Consultant shall be compensated monthly. Monthly charges for services shall be based on Consultant's current billing rates for applicable employees plus charges for expenses and equipment.

Consultant will provide an estimate of the costs for services in this Agreement. It is agreed that after 90% of the estimated compensation has been earned and if it appears that completion of the services cannot be accomplished within the remaining 10% of the estimated compensation, Consultant will notify the Client and confer with representatives of the Client to determine the basis for completing the work.

Compensation to Consultant based on the rates is conditioned on completion of the work within the effective period of the rates. Should the time required to complete the work be extended beyond this period, the rates shall be appropriately adjusted.

B. Expenses

The following items involve expenditures made by Consultant employees or professional consultants on behalf of the Client. Their costs are not included in the hourly charges made for services but instead are reimbursable expenses required in addition to hourly charges for services and shall be paid for as described in this Agreement:

1. Transportation and travel expenses.
2. Long distance services, dedicated data and communication services, teleconferences, Project Web sites, and extranets.
3. Lodging and meal expense connected with the Project.
4. Fees paid, in the name of the Client, for securing approval of authorities having jurisdiction over the Project.
5. Plots, Reports, plan and specification reproduction expenses.
6. Postage, handling and delivery.
7. Expense of overtime work requiring higher than regular rates, if authorized in advance by the Client.
8. Renderings, models, mock-ups, professional photography, and presentation materials requested by the Client.
9. All taxes levied on professional services and on reimbursable expenses.
10. Other special expenses required in connection with the Project.
11. The cost of special consultants or technical services as required. The cost of subconsultant services shall include actual expenditure plus 10% markup for the cost of administration and insurance.

The Client shall pay Consultant monthly for expenses.

C. Equipment Utilization

The utilization of specialized equipment, including automation equipment, is recognized as benefiting the Client. The Client, therefore, agrees to pay the cost for the use of such specialized equipment on the project. Consultant invoices to the Client will contain detailed information regarding the use of specialized equipment on the project and charges will be based on the standard rates for the equipment published by Consultant.

The Client shall pay Consultant monthly for equipment utilization.

Exhibit B
to Supplemental Letter Agreement
Between Racine Water & Wastewater Utilities (Client)
and
Short Elliott Hendrickson Inc. (Consultant)
Dated February 16, 2023

A Listing of the Duties, Responsibilities and
Limitations of Authority of the Resident Project Representative

Through more extensive on site observations of the construction work in progress and field checks of materials and equipment by the Resident Project Representative (RPR), Consultant shall endeavor to provide further protection for Client against defects and deficiencies in the work of contractor (Work); but, the furnishing of such services will not make Consultant responsible for or give Consultant control over construction means, methods, techniques, sequences or procedures or for safety precautions or programs, or responsibility for contractor's failure to perform the Work in accordance with the Contract Documents. Contract Documents are the documents that govern or are pertinent to contractor's Work including but not limited to the agreement between Client and contractor, the contractor's bid, the bonds, specs, drawings, field orders, addenda, clarifications, interpretations, approved shop drawings and reports collectively called the Contract Documents. The duties and responsibilities of the RPR are further defined as follows:

A. General

RPR is an agent of Consultant at the site, will act as directed by and under the supervision of Consultant, and will confer with Consultant regarding RPR's actions. RPR's dealings in matters pertaining to the on site work shall in general be with Consultant and contractor keeping the Client advised as necessary. RPR's dealings with subcontractors shall only be through or with the full knowledge and approval of contractor. RPR shall generally communicate with Client with the knowledge of and under the direction of Consultant.

B. Duties and Responsibilities of RPR

1. Schedules: Review the progress schedule, schedule of shop drawing submittals and schedule of values prepared by Contractor and consult with Consultant concerning acceptability.
2. Conferences and Meetings: Attend meetings with contractor, such as preconstruction conferences, progress meetings, job conferences and other project-related meetings, and prepare and circulate copies of minutes thereof.
3. Liaison:
 - (a) Serve as Consultant's liaison with contractor, working principally through contractor's superintendent and assist in understanding the intent of the Contract Documents; and assist Consultant in serving as Client's liaison with contractor when contractor's operations affect Client's on-site operations.
 - (b) Assist in obtaining from Client additional information, when required for proper execution of the Work.
4. Shop Drawings and Samples*:
 - (a) Record date of receipt of shop drawings and samples.
 - (b) Receive samples furnished at the site by contractor, and notify Consultant of availability of samples.
 - (c) Advise Consultant and contractor of the commencement of any Work requiring a shop drawing or sample if the submittal has not been approved by Consultant.
5. Review of Work, Observations and Tests:
 - (a) Conduct on-site observations of the Work in progress to assist Consultant in determining if the Work is in general proceeding in accordance with the Contract Documents.
 - (b) Report to Consultant whenever RPR believes that any Work is unsatisfactory, faulty or defective or does not conform to the Contract Documents, or has been damaged, or does not meet the requirements of any inspection, test or approval required to be made; and advise Consultant of Work that RPR believes should be corrected or rejected or should be uncovered for observation, or requires special testing, inspection or approval.

- (c) Determine if tests, equipment and systems start-ups and operating and maintenance training are conducted in the presence of appropriate personnel, and that Contractor maintains adequate records thereof; and observe, record and report to Consultant appropriate details relative to the test procedures and start-ups.
 - (d) Accompany visiting inspectors representing public or other agencies having jurisdiction over the Project, record the results of these inspections and report to Consultant.
- 6. Interpretation of Contract Documents: Report to Consultant when clarification and interpretations of the Contract Documents are requested by contractor and transmit to contractor clarifications and interpretations as issued by Consultant.
- 7. Modifications: Consider and evaluate contractor's suggestions for modifications in drawings or specifications and report with RPR's recommendations to Consultant. Transmit to contractor decisions as issued by Consultant.
- 8. Records:
 - (a) Maintain at the job site orderly files for correspondence, reports of job conferences, shop drawings and samples, reproductions of original Contract Documents including all addenda, change orders, field orders, additional drawings issued subsequent to the execution of the construction contract, Consultant's clarifications and interpretations of the Contract Documents, progress reports, and other related documents.
 - (b) Keep a diary or log book, recording contractor hours on the job site, weather conditions, data relative to questions of change orders, or changed conditions, list of job site visitors, daily activities, decisions, observations in general, and specific observations in more detail as in the case of observing test procedures; and send copies to Consultant.
 - (c) Record names, addresses and telephone numbers of all contractors, subcontractors and major suppliers of materials and equipment.
- 9. Reports:
 - (a) Furnish Consultant periodic reports as required of progress of the Work and of contractor's compliance with the progress schedule and schedule of shop drawing and sample submittals.
 - (b) Consult with Consultant in advance of scheduled major tests, inspections or start of important phases of the Work.
 - (c) Draft proposed change orders and Work, obtaining backup material from contractor and recommend to Consultant change orders, and field orders.
 - (d) Report immediately to Consultant and Client upon the occurrence of any accident.
- 10. Payment Requests: Review applications for payment with contractor for compliance with the established procedure for their submission and forward with recommendations to Consultant, noting particularly the relationship of the payment requested to the schedule of values, Work completed and materials and equipment delivered at the site but not incorporated in the Work.
- 11. Certificates, Maintenance and Operation Manuals: During the course of the Work, verify that certificates, maintenance and operation manuals and other data required to be assembled and furnished by contractor are applicable to the items actually installed and in accordance with the Contract Documents, and have this material delivered to Consultant for review and forwarding to Client prior to final payment for the Work.
- 12. Completion:
 - (a) Before Consultant issues a certificate of substantial completion, submit to contractor a list of observed items requiring completion or correction.
 - (b) Conduct final inspection in the company of Consultant, Client, and contractor and prepare a final list of items to be completed or corrected.
 - (c) Observe that all items on final list have been completed or corrected and make recommendations to Consultant concerning acceptance.

C. Limitations of Authority

Resident Project Representative:

1. Shall not authorize any deviation from the Contract Documents or substitution of materials or equipment, unless authorized by Client.
2. Shall not exceed limitations of Consultant's authority as set forth in the Agreement for Professional Services.
3. Shall not undertake any of the responsibilities of contractor, subcontractors or contractor's superintendent.
4. Shall not advise on, issue directions regarding or assume control over safety precautions and programs in connection with the Work.
5. Shall not accept shop drawing or sample submittals from anyone other than contractor.
6. Shall not authorize Client to occupy the Project in whole or in part.
7. Shall not participate in specialized field or laboratory tests or inspections conducted by others except as specifically authorized by Consultant.

Exhibit C
Racine WWTP Biogas Conditioning
Construction Engineering and RPR

Project Task	Estimated Hours	Estimated Fee
Project Management: Administrative, Coordination with Plant Staff, WDNR, Manufacturers, Vendors, Subconsultants, & RPR (18 months)	88	\$21,630
Preconstruction Conference, Monthly Progress Meetings	66	\$18,710
Shop Drawing and Vendor O&M Manual Reviews	84	\$15,460
Contractor Payment Application reviews, Request for Information (RFI), Change Orders, Design modifications	96	\$14,820
Construction Site visits	16	\$3,520
Record Drawings	28	\$4,160
Start-up, Training Assistance, Trouble Shooting, Warranty Issues	12	\$3,000
Substantial and Final Completions, Punch Lists, and Project Closeout	8	\$2,160
Resident Project Representative (RPR) - (combination of full and part time weeks) for 18 months	1,248	\$157,940
Total	1,646	\$241,100