



Blue Sky Contract Negotiation Meeting
Bell Engineering
February 29, 2012

1. Pages 49 and 62 of the proposal reflects Bell's proposed optional scope of services that could be included for demolition of the Boonesboro WWTP and lagoon closure (if desired by LFUCG). LFUCG does not and never has desired services to finance or coordinate the elimination of Boonesboro Manor. LFUCG's intention is limited to providing pump station capacity and a common sense approach to providing access to the new Blue Sky pump station. Refer to Appendix K-1 of the Consent Decree.
2. Bell and LFUCG agree that while the mechanism for accepting future flow from Boonesboro Manor WWTP will not be finalized until the design phase, the engineering fees for providing flow accommodation by sizing the Blue Sky force main to accept future flow from the Boonesboro Manor, are included in the proposal.
3. Bell is providing the following fee estimate for Class C pumping station with a force main alignment terminating at the East Hickman pump station:

Task 1 – Document Review = \$ 0

Task 2 & 3 – Technical Memorandum & Design = \$ 70,208

Task 4 & 7 - Bidding & Public Participation = \$ 10,628

Task 5 & 6 – CA & KIA = \$ 20,059

Force Main Rock Soundings = \$14,400*

Pump Station Rock Soundings = \$960*

Easement Acquisitions = \$25,000*

Generator Design = \$7,500

Lagoon Closure Bidding = \$2,913

Lagoon Closure CA = \$5,827

Total Contract Authorization Value = \$ 157,495 (17% below RD Fee Curve)

* lump sum adjustment subject to final adjustment of actual quantities

Note: Bell's design will take precautions to prevent creation of future conflicts with a Blue Sky force main alignment and future improvements at the East Hickman site). The above fees were calculated for an estimated construction cost of \$1,469,556 using the Procedures Manual for Planning and Implementing Water and Wastewater Projects in Kentucky – Kentucky Infrastructure Authority. Should the force main routing discharge into another location, the design fee will be recalculated based on the construction costs estimate and the fee curve less 17%. An example would be a discharge at manhole

EH_894. The force main distance would be approximately 6,700 linear feet shorter than a discharge into the East Hickman pump station and our fees would be reduced to reflect the reduced cost estimate. Additional scope changes shall be based on the full fee curve.

4. Estimated flows, potential force main alignments and potential wet well depths will all have an impact on pump selection. The recommended 320 gpm pumps (Section 5 of the proposal) are based on Bell's analysis of current zoning / full development flow projections from the service areas tributary to both the Blue Sky and Boonesboro Manor WWTPs. Additional projected flows impacting pump selection up to 999 gpm per pump will not impact the detailed design fee. Additional projected flows from outside the designated service area impacting pump selection beyond the 999 gpm per pump threshold will activate the proposal quoted fee for a Class B pumping station.
5. The proposal cost estimate states a quantity of 2 encroachment permits while the Bell recommended force main alignment shows one (1) crossing of I-75 plus two (2) crossings of Richmond Road. Bell has clarified that the fee estimate is correct because they intend to "bundle" the permit requests.
6. Page 58 of the proposal notes three (3) blue line stream crossings while the fee estimate states a quantity of one stream crossing permit. Bell has clarified that the fee estimate is correct because they intend to "bundle" the permit requests.
7. On Page 58, Bell recommends directional drilling of stream crossings to expedite the permit process and avoid potential environmental concerns, despite a somewhat higher construction cost. However, it is not the desire of LFUCG to directional drill the stream crossings because the benefit / cost ratio is not apparent; therefore conventional methods of excavation will be specified.
8. Bidding, construction and KIA services.
 - The proposed fee assumes concurrent services for the PS and FM. Non concurrent services will not change the fees quoted in the proposal.
 - The proposed fee assumes concurrent services of the treatment plant tie-in and plant demolition. Non concurrent services will not change the fees quoted in the proposal.
 - The proposed fee assumes non-concurrent services for the lagoon closure for the following lump sum fees:

\$2,913 bidding services
\$5,827 construction services
Included KIA services

Note: The engineer's estimate included in the September 23, 2010 Closure Plan by Tetra Tech, Inc. indicates a construction cost of \$248,159 for the Blue Sky Lagoon Closure. Bell used the

Procedures Manual for Planning and Implementing Water and Wastewater Projects in Kentucky
– Kentucky Infrastructure Authority to determine the engineering fee.

9. Bell is providing the following fee estimate for easement negotiations and acquisition:

\$2,500 negotiations (per offer generated)
Included acquisition (securing a signed MOU and submitting to the LFUCG project manager).

It is estimated that there will be a total of 10 easements for this project for a total of \$25,000.

Note: As discussed in the negotiating meeting, this assumes a total of three documented attempts to secure a signed MOU and submit to LFUCG project manager. Any additional effort will be billed on a time and materials basis and will not begin without an approved change order issued by the LFUCG project manager.

10. Bell agrees that the pumping station detail provided in the proposal is not accepted as a finished product and quoted fees are reflective of this fact. All LFUCG standards will be represented as a finished work product for the lump sum fee estimates quoted in the contract documents.
11. Bell is providing the following lump sum fee estimate for the inclusion of a permanent generator, capable of powering the entire Blue Sky pumping station facility and the Cutter Hill pumping station in the event of a power failure. \$7,500.
12. Bell and LFUCG agree any additional detailed design fees necessitated by construction not contemplated by the original scope of services will be determined by using the fee tables, as published in the latest revision of the Procedures Manual for Planning and Implementing Water and Wastewater Projects in Kentucky – Kentucky Infrastructure Authority.
13. Bell agrees that the detailed design fee quoted in the proposal represents the fees necessary to implement the closure plan identified in the advertised scope of services, with the exception of those fees described in item 8 above.
14. Bell is aware that the long-term intended use of the closed lagoon site is a site for a road salt storage barn and will implement a design that is consistent with that intended use. Bell and LFUCG agree that detailed design of this road salt storage barn is not included in this scope.
15. Bell provides the following clarification for rock sounding costs:
- \$96 per sounding (force main alignment)

It is estimated that there will be 150 rock soundings associated with the force main for a total estimated fee of \$14,400.

\$240 per sounding (pump station site)

It is estimated that there will be 4 rock soundings associated with the pump station for a total fee of \$960.00.

16. Bell and LFUCG agree that only 5 hardcopies and one electronic pdf copy of the Technical Memorandum will be delivered to LFUCG – reducing the estimated fee from \$500 to \$150.
17. Bell agrees that the proposed lump fee estimate included in the proposal is intended to fully meet the requirements of Scope of Services Task 2.3. However, any additional services other than the feasibility determination and opinion of probable construction costs for the elimination of the Cutter Hill pump station would be additional scope.
18. Bell is aware that LFUCG is not specifying post construction stormwater BMPs beyond the minimum requirements.
19. Bell is aware that the LFUCG C&D landfill is closed and should be reflected in the engineer's estimated cost of construction.
20. Bell agrees that before contract signing, a revised project schedule must be submitted to the LFUCG project manager. This is in addition to the schedule revision required in Task 2.
21. Bell provides the following lump sum fee for an environmental assessment, in the event that Kentucky Infrastructure Authority (KIA) loan conditions require an assessment.
\$25,000 .
22. Bell clarifies that their lump sum fees encompasses all activities needed to meet the KIA reporting requirements including the construction phase of the project(s).
23. Bell's proposal fees are reflective of the number of public meeting stated in the scope. LFUCG recognizes that the potential exists for additional public meetings and thus Bell provides the following clarification requiring additional public meeting rates. \$135/hour, per person for necessary preparation and attendance of meetings.
24. Bell agrees that DBE costs need to be clearly delineated on all invoices so LFUCG can track Bell's ability to meet stated DBE participation goals.
25. Bell is providing the following clarification as to the estimated percent contribution of the five PE's listed on the Engineering Team. The Bell Team listed five PE's due to the fact that it was unclear in the RFP if the station would be a Class B or Class C pump

Steve Farmer, P.E.

April 6, 2012

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station. A Class C pump station would not require input from all five of the PE's listed. We would anticipate that a Class C design would require that David F. Schrader, P.E. provide 25% (WWTP's) of the design services, Ron Rogers, P.E. would provide 25% of the design services (Pump Station), and Steve Caudill, P.E. will provide the remaining 50% (Force Main). All three are owners in the firm.

Attached is a copy of our Summary of Project Costs. If you have any questions or need additional information, please call.

Thank You,
Bell Engineering

A handwritten signature in black ink, appearing to read "James K. Roberts". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

James K. Roberts, P.E., P.L.S.
Senior Vice President

Summary of Project Costs					
Engineering Services				Blue Sky Pump Station	
TASK 1	REVIEW OF EXISTING DATA	Qty.	Units	Unit Cost	Fee
	A. Document Reviews	0	Hrs	0	\$0
			Lump Sum	Subtotal Task 1	\$0
TASK 2	Technical Memorandum				
	Hydraulic Analysis	1	LS	\$500	\$500
	Force Main Routing Analysis	1	LS	\$500	\$500
	Force Main Alignment Map	1	LS	\$500	\$500
	Cutter's Hill Level Survey	1	LS	\$750	\$750
	Opinion of Probable Total Project Costs	1	LS	\$150	\$150
	Copies of Report	5	EA	\$25	\$125
	Subtotal Technical Memorandum				\$2,525
			Lump Sum	Subtotal Task 2	\$2,525
TASK 3	Detailed Design				
	Pump Station Design Review Kickoff Meeting	1	EA	\$750	\$750
	Monthly Status Reports	5	EA	\$150	\$750
	Design Progress Meeting (30%,60%,90%)	3	EA	\$750	\$2,250
	Enchroachment Permits	2	EA	\$500	\$1,000
	KYDOW Construction Permit	1	EA	\$500	\$500
	Stream Crossing Permit	1	EA	\$250	\$250
	Detailed Cost Estimates	1	EA	\$150	\$150
	Site Survey for PumpStation	1	EA	\$750	\$750
	Force Main Survey (15 ft. wide topo entire length)	1	LS	\$20,000	\$20,000
	Geotechnical Report	1	LS	\$3,800	\$3,800
	Final Plans and Specifications	1	LS	\$37,483	\$37,483
			Lump Sum	Subtotal Task 3	\$67,683

TASK 4 Bidding Services				
(Pump Station)				
Pre-Bid Conference	1	EA	\$750	\$750
Addenda	1	EA	\$250	\$250
Evaluation and Recommendation of Award	1	EA	\$157	<u>\$157</u>
		Lump Sum	Subtotal Task 4	\$1,157
(Force Main)				
Pre-Bid Conference	1	EA	\$750	\$750
Addenda	1	EA	\$250	\$250
Evaluation and Recommendation of Award	1	EA	\$157	<u>\$157</u>
		Lump Sum	Subtotal Task 4	\$1,157
(Transfer of Flow)				
Pre-Bid Conference	1	EA	\$750	\$750
Addenda	1	EA	\$250	\$250
Evaluation and Recommendation of Award	1	EA	\$157	<u>\$157</u>
		Lump Sum	Subtotal Task 4	\$1,157
(Demolition)				
Pre-Bid Conference	1	EA	\$750	\$750
Addenda	1	EA	\$250	\$250
Evaluation and Recommendation of Award	1	EA	\$157	<u>\$157</u>
		Lump Sum	Subtotal Task 4	\$1,157
		Lump Sum	Total Task 4	\$4,628

TASK 5 Construction Services				
(Pump Station)				
Shop Drawing Reviews	4	EA	\$150	\$600
Monthly Progress Meetings	4	EA	\$750	\$3,000
Review Pay Requests	4	EA	\$250	\$1,000
Site Visits	1	EA	\$500	\$500
Start-up Report	1	LS	\$250	\$250
Prepare Punch List	1	LS	\$250	<u>\$250</u>
		Lump Sum	Subtotal Task 5	\$5,600
(Force Main)				
Shop Drawing Reviews	4	EA	\$150	\$600
Monthly Progress Meetings	5	EA	\$750	\$3,750
Review Pay Requests	5	EA	\$250	\$1,250
Site Visits	1	EA	\$500	\$500
Start-up Report	1	LS	\$250	\$250
Prepare Punch List	1	LS	\$250	\$250
As-Built GPS for Force Main & Gravity Sewer	1	LS	\$3,559	<u>\$3,559</u>
		Lump Sum	Subtotal Task 5	\$10,159
(Transfer of Flow)				
Shop Drawing Reviews	1	EA	\$150	\$150
Monthly Progress Meetings	1	EA	\$750	\$750
Review Pay Requests	1	EA	\$250	\$250
Site Visits	1	EA	\$500	\$500
Start-up Report	1	LS	\$250	\$250
Prepare Punch List	1	LS	\$250	<u>\$250</u>
		Lump Sum	Subtotal Task 5	\$2,150
Construction Services (Demolition)				
Shop Drawing Reviews	1	EA	\$150	\$150
Monthly Progress Meetings	1	EA	\$750	\$750
Review Pay Requests	1	EA	\$250	\$250
Site Visits	1	EA	\$500	\$500
Start-up Report	1	LS	\$250	\$250
Prepare Punch List	1	LS	\$250	<u>\$250</u>
		Lump Sum	Subtotal Task 5	\$2,150
		Lump Sum	Totals Task 5	\$20,059

TASK 6		Kentucky Infrastructure Authority			
(Pump Station)					
Environmental Review	1	LS	\$0	\$0	
Plans and Specifications	1	LS	\$0	\$0	
ATA Documents	1	LS	\$0	\$0	
Green Project Reserve	1	LS	\$0	\$0	
Project Closeout Documents	1	LS	\$0	\$0	
				Subtotal Task 6	\$0
(Force Main)					
Environmental Review	1	LS	\$0	\$0	
Plans and Specifications	1	LS	\$0	\$0	
ATA Documents	1	LS	\$0	\$0	
Green Project Reserve	1	LS	\$0	\$0	
Project Closeout Documents	1	LS	\$0	\$0	
				Subtotal Task 6	\$0
(Transfer of Flow)					
Environmental Review	1	LS	\$0	\$0	
Plans and Specifications	1	LS	\$0	\$0	
ATA Documents	1	LS	\$0	\$0	
Green Project Reserve	1	LS	\$0	\$0	
Project Closeout Documents	1	LS	\$0	\$0	
				Subtotal Task 6	\$0
(Demolition)					
Environmental Review	1	LS	\$0	\$0	
Plans and Specifications	1	LS	\$0	\$0	
ATA Documents	1	LS	\$0	\$0	
Green Project Reserve	1	LS	\$0	\$0	
Project Closeout Documents	1	LS	\$0	\$0	
				Subtotal Task 6	\$0
				Lump Sum Total Task 6	\$0

TASK 7 Public Participation					
Blue Sky Public Meeting	2	LS	\$1,500	\$3,000	
Urban County Council Status Update	2	LS	\$1,500	\$3,000	
			Total Task 7	\$6,000	
Engineering Services Total				\$100,895	

Additional Services

Resident Project Representation (If Requested)			\$45/hr		
Additional Design Fee for Class B Pump Station			\$45,000		
Additional Meetings, Hourly Rate			\$135/hr/person		
Rock Soundings (Force Main)	150	EA	\$96	\$14,400	
Rock Soundings (Pump Station)	4	EA	\$240	\$960	
Plat Preparation / Easements	10	EA	\$2,500	\$25,000	
Generator Design @ Cutters Hill & BS	1	LS	\$7,500	\$7,500	
Lagoon Closure	1	LS	\$8,740	\$8,740	
Environmental Assessment	1	LS	\$25,000	\$25,000	