



STAFF REPORT

DATE: September 5, 2023
CONSENT

AGENDA ITEM: Approve MPCA Grant Agreement and Engineering Task Orders for Well 2 Treatment Evaluation and Water System Modeling

SUBMITTED BY: Kristina Handt, City Administrator

REVIEWED BY: Jack Griffin, City Engineer
Marty Powers, Public Works Director
Chad Isakson, Assistant City Engineer

BACKGROUND: Following the staff presentation on water supply strategies at the June 13, 2023 council workshop, the Council directed staff to proceed with the necessary engineering evaluations for a revised Water Supply Infrastructure Plan. More specifically, staff was directed to proceed with the following water system review and evaluations:

1. Preparation of water supply plan to develop South Area Production Wells (Well 6 and 7) with treatment for PFAS.
2. Preparation of a PFAS Treatment contingency plan for Wells 4 and 5.
3. Prepare and evaluate a connection to St. Paul Regional Water Service (SPRWS).
4. Prepare a technical memorandum to outline the feasibility and potential uses for Well 2 should the well exceed PFAS standards. Evaluate if the well should be taken offline and abandoned; or if the well can be used effectively as a backup well to establish firm capacity and meet peak demands; or can the well supply be treated for PFAS for either permanent or temporary use.
5. Complete modeling and evaluation of the water distribution system based on revised water supply source locations, including new Well 6 and 7; a combined point source for Well 4 and 5; and a point source connection to SPRWS. Include a feasibility review of operating ll 4 and 5) and South (either future Well 6 and 7 or SPRWS) water supply systems with emergency interconnects.

ISSUE BEFORE COUNCIL: Should the City Council approve the Grant Agreement with the MPCA and authorize the engineering services for evaluating treatment for PFAS at Well 2 and water system modeling for new water supply source locations?

PROPOSAL DETAILS/ANALYSIS: To initiate the revised Water Supply Infrastructure Plan, staff prepared and submitted several applications for grant funds through the 3M Settlement Priority 1 Drinking Water Grant Form. On August 29, 2023, staff received the MPCA approved Grant Agreement for the Well 2 evaluation work and the water system modeling work.

The Grant Agreement scope of work directs Lake Elmo to research options of temporary versus permanent treatment of PFAS for Well 2, in order to continue the full production use of the well. The work further includes the water distribution system network modeling to determine performance and potential system changes for various alternative water supply locations. The grant amount is intended to cover the proposed engineering services as outlined in the attached Engineering Task Orders; and includes Task Order #4 with Stantec for the Well 2 Evaluation work, Task Order #24 with SEH for the water system modeling, and the engineering services provided by FOCUS Engineering in support of these projects.

FISCAL IMPACT: The grant provides for a reimbursement to the City in the not to exceed amount of \$58,000. The Grant is set to expire on June 30, 2025.

OPTIONS:

1. Approve the MPCA Grant Agreement and Engineering Task Orders for Well 2 Treatment Evaluation and Water System Modeling.
2. Do not approve the MPCA Grant Agreement and Engineering Task Orders.

RECOMMENDATION: Staff is recommending that the City Council approve, *as part of the Consent Agenda*, the Grant Agreement with the MPCA and the engineering service Task Orders for evaluating treatment for PFAS at Well 2 and to perform water system modeling for new water supply source locations.

“Move to approve the Grant Agreement with the MPCA for evaluating treatment for PFAS at Well 2 and to perform water system modeling for new water supply source locations, and to approve the engineering service Task Orders, including Task Order #4 with Stantec for the Well 2 Evaluation work and Task Order #24 with SEH for the water system modeling.”

ATTACHMENTS:

1. MPCA Grant Agreement PRO20230001.
2. Stantec Task Order #4 – Well 2 Evaluation for Temporary Treatment.
3. SEH, Inc. Task Order #24 – Water System Modeling for New Water Sources.

Grant Agreement

State of Minnesota

Doc Type: Contract/Grant

SWIFT Contract Number:

Agency Interest ID: 90810

Activity ID: PRO20230001

This Grant Agreement is between the state of Minnesota, acting through its Commissioner of the **Minnesota Pollution Control Agency**, 520 Lafayette Road North, St. Paul, MN 55155-4194 ("MPCA" or "State"), and **City of Lake Elmo**, a Minnesota municipal corporation, 3880 Laverne Avenue North, Lake Elmo, MN 55042 ("Grantee" or "Contractor" or "City").

Recitals

1. Under Minn. Stat. § 116.03, subd. 2, the State is empowered to enter into this grant.
2. The City is authorized to enter into this grant under Minn. Stat. § 412.211.
3. The State and City are in need of the **City of Lake Elmo Planning and Design** project, as part of the Conceptual Drinking Water Supply Plan (Conceptual Plan), to address Perfluoroalkyl Substances (PFAS) impacts to drinking water supplies in the East Metro area.
4. Grantee will comply with required grants management policies and procedures set forth through [Minn. Stat. § 16B.97](#), subd. 4(a)(1).
5. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant agreement to the satisfaction of the State. Pursuant to [Minn. Stat. § 16B.98](#), subd. 1, the Grantee agrees to minimize administrative costs as a condition of this grant.

Grant Agreement

1. Term of Grant Agreement

- 1.1 Effective date: September 6, 2023**, Per [Minn. Stat. § 16B.98](#), Subd. 5, the Grantee must not begin work until this grant contract is fully executed and the State's Authorized Representative has notified the Grantee that work may commence. Per [Minn. Stat. § 16B.98](#) Subd. 7, no payments will be made to the Grantee until this grant contract is fully executed.
- 1.2 Expiration date: June 30, 2025**, or until all obligations have been satisfactorily fulfilled, whichever occurs first.
- 1.3 Survival of terms.** The following clauses survive the expiration or cancellation of this grant agreement: Indemnification; State Audits; Government Data Practices and Intellectual Property; Publicity and Endorsement; Governing Law, Jurisdiction, and Venue; and Data Disclosure.

2. Grantee's Duties

This project is for the City of Lake Elmo to research options of temporary versus permanent treatment of PFAS for Well 2, in order to continue the full production use of the well, as well as review the water distribution system network to determine performance and potential system changes for various alternative water supply locations. This also includes system modeling in the review and assessing alternatives for providing a long-term, safe drinking water supply to residents.

3. Time

The Grantee must comply with all the time requirements described in this grant agreement. In the performance of this grant agreement, time is of the essence.

4. Consideration and Payment

4.1 Consideration. The State will pay for all services performed by the Grantee under this grant agreement as follows:

- (a) Compensation.** The MPCA will reimburse the Grantee according to approved invoices relating to the duties listed in Clause 2. The MPCA will review the expense documentation submitted by the Grantee for the costs and will reimburse the Grantee for reasonable and necessary expenditures, as determined by the MPCA.
- (b) Travel expenses.** Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Grantee as a result of this grant agreement will be provided to meet the duties listed in Clause 2; provided that the Grantee will be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than provided in the current "Commissioner's Plan" promulgated by the Commissioner of Minnesota Management and Budget (MMB). The Grantee will not be reimbursed for travel and subsistence expenses incurred outside Minnesota unless it has received the State's prior written approval for out of state travel. Minnesota will be considered the home state for determining whether travel is out of state.
- (c) Total obligation.** The total obligation of the State for all compensation and reimbursements to the Grantee under this grant agreement will not exceed **\$58,000.00 (Fifty-eight Thousand Dollars and Zero Cents)**.

4.2 Payment

- (a) Invoices.** The State will promptly pay the Grantee after the Grantee presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted timely and according to the following schedule: **monthly or at least quarterly**.

Invoices must be emailed to mpca.ap@state.mn.us, and contain the following information:

- Name of Grantee
- Grantee project manager
- Invoice number
- Invoice date
- MPCA project manager
- SWIFT Contract No.
- Invoicing period (actual working period)

If there is a problem with submitting an invoice electronically, please contact the Accounts Payable Unit at 651-757-2491.

The Grantee shall submit an invoice for the final payment upon submittal of the final progress and financial report within 15 (fifteen) days of the original or amended end date of this grant agreement. The State reserves the right to review submitted invoices after 15 (fifteen) days and make a determination as to payment.

- (b) Unexpended Funds.** The Grantee must promptly return to the State any unexpended funds that have not been accounted for annually in a financial report to the State due at grant closeout.

4.3 Contracting and Bidding Requirements

Per [Minn. Stat. §471.345](#), grantees that are municipalities as defined in Subd. 1 must follow the law.

- (a)** For projects that include construction work and have a total project cost of \$25,000 or more, prevailing wage rules apply per [Minn. Stat. §§177.41 through 177.44](#). These rules require that the wages of laborers

and workers should be comparable to wages paid for similar work in the community as a whole.

(b) The grantee must not contract with vendors who are suspended or debarred in MN:

<https://mn.gov/admin/osp/government/suspended-debarred/>

4.4 Reporting Requirements

The Grantee shall submit to the State quarterly status reports, based on the effective date of this agreement.

5. Conditions of Payment

All services provided by the Grantee under this grant agreement must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative/MPCA's Project Manager and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

6. Authorized Representative

The State's Authorized Representative/Project Manager is **Elizabeth Kaufenberg**, 520 Lafayette Road, St. Paul, MN 55155, 651-757-2481, elizabeth.kaufenberg@state.mn.us, or their successor, and has the authority to monitor the Grantee's performance and to accept the services provided under this agreement. If the services are satisfactory, the MPCA's Project Manager will certify acceptance of each invoice submitted for payment.

The State's Project Manager is **Megan Holthaus**, 520 Lafayette Road, St. Paul, MN 55155, 651-757-2843, Megan.Holthaus@state.mn.us, or their successor.

The Grantee's Authorized Representative is **Kristina Handt**, City Administrator, 3800 Laverne Avenue North, Lake Elmo, MN 55042, 651-747-3905, khandt@lakeelmo.org, or their successor. If the Grantee's Authorized Representative changes at any time during this grant agreement, the Grantee must immediately notify the State.

7. Assignment, Amendments, Change Orders, Waiver, and Grant Agreement Complete

7.1 Assignment. The Grantee shall neither assign nor transfer any rights or obligations under this grant agreement without the prior written consent of the State, approved by the same parties who executed and approved this grant agreement, or their successors in office.

7.2 Amendments. Any amendments to this grant agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original grant agreement, or their successors in office.

7.3 Change orders. If the State's Project Manager or the Grantee's Authorized Representative identifies a change needed in the workplan and/or budget, either party may initiate a Change Order using the Change Order Form provided by the MPCA. Change Orders may not delay or jeopardize the success of the Project, alter the overall scope of the Project, increase or decrease the overall amount of the Contract/Agreement, or cause an extension of the term of this Agreement. Major changes require an Amendment rather than a Change Order.

The Change Order Form must be approved and signed by the State's Project Manager and the Grantee's Authorized Representative **in advance of doing the work**. Documented changes will then become an integral and enforceable part of the Agreement. The MPCA has the sole discretion on the determination of whether a requested change is a Change Order or an Amendment. The state reserves the right to refuse any Change Order requests.

7.4 Waiver. If the State fails to enforce any provision of this grant agreement, that failure does not waive the provision or the State's right to enforce it.

7.5 Grant agreement complete. This grant agreement contains all negotiations and agreements between the State and the Grantee. No other understanding regarding this grant agreement, whether written or oral, may be used to bind either party.

8. Indemnification

The Grantee must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from the performance of this grant agreement by the Grantee or the Grantee's agents or employees. This clause will not be construed to bar any legal remedies the Grantee may have for the State's failure to fulfill its obligations under this grant agreement.

9. State Audits

Under [Minn. Stat. § 16B.98](#), subd.8, the Grantee's books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this grant agreement or transaction are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

10. Government Data Practices and Intellectual Property

10.1 Government data practices. The Grantee and State must comply with the Minnesota Government Data Practices Act, [Minn. Stat. Ch. 13](#), as it applies to all data provided by the State under this grant agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant agreement. The civil remedies of [Minn. Stat. § 13.08](#) apply to the release of the data referred to in this clause by either the Grantee or the State. If the Grantee receives a request to release the data referred to in this Clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released. The Grantee's response to the request shall comply with applicable law.

10.2 Intellectual property rights

(a) Intellectual property rights. The State owns all rights, title and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the Works and Documents created and paid for under this grant agreement. Works means all inventions, improvements, discoveries (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the Grantee, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this grant agreement. Works includes "Documents." Documents are the originals of any databases, computer programs, reports, notes studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the Grantee, its employees, agents, or subcontractors, in the performance of this grant agreement. The Documents shall be the exclusive property of the State and all such Documents must be immediately returned to the State by the Grantee, at the Grantee's expense, upon the written request of the State, or upon completion, termination, or cancellation of this grant agreement. To the extent possible, those Works eligible for copyright protection under the United States' Copyright Act will be deemed to be "works made for hire." The Grantee assigns all right, title, and interest it may have in the Works and the Documents to the State. The Grantee must, at the request of the State, execute all papers and perform all other acts necessary to transfer or record the State's ownership interest in the Works and Documents.

(b) Obligations.

(1) **Notification.** Whenever any invention, improvement, or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by the Grantee, including its employees and subcontractors, in the performance of this grant agreement, the Grantee

shall immediately give the State's Authorized Representative written notice thereof, and must promptly furnish the Authorized Representative with complete information and/or disclosure therein.

- (2) **Representation.** The Grantee must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the Works and Documents are the sole property of the State, and that neither Grantee nor its employees, agents, or subcontractors retain any interest in and to the Works and Documents. The Grantee represents and warrants that the Works and Documents do not and will not infringe upon any intellectual property rights of other persons or entities. Notwithstanding Clause Liability, the Grantee shall indemnify, defend, to the extent permitted by the Attorney General, and hold harmless the State, at the Grantee's expense, from any action or claim brought against the State to the extent that it is based on a claim that all or part of the Works or Documents infringe upon the intellectual property rights of others. The Grantee will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including, but not limited to, attorney fees. If such a claim or action arises or in Grantee's or the State's opinion is likely to arise, the Grantee must, at the State's discretion, either procure for the State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing Works or Documents as necessary and appropriate to obviate the infringement claim. This remedy of the State will be in addition to and not exclusive of other remedies provided by law.
- (3) **License.** The State hereby grants a limited, no-fee, noncommercial license to the Grantee to enable the Grantee's employees engaged in research and scholarly pursuits to make, have made, reproduce, modify, distribute, perform, and otherwise use the Works, including Documents, for research activities or to publish in scholarly or professional journals, provided that any existing or future intellectual property rights in the Works or Documents (including patents, licenses, trade or service marks, trade secrets, or copyrights) are not prejudiced or infringed upon, that the Minnesota Data Practices Act is complied with, and that individual rights to privacy are not violated. The Grantee shall indemnify and hold harmless the State for any claim or action based on the Grantee's use of the Works or Documents under the provisions of Clause 10.2(b)(2). Said license is subject to the State's publicity and acknowledgement requirements set forth in this grant agreement. The Grantee may reproduce and retain a copy of the Documents for research and academic use. The Grantee is responsible for security of the Grantee's copy of the Documents. A copy of any articles, materials or documents produced by the Grantee's employees, in any form, using or derived from the subject matter of this license, shall be promptly delivered without cost to the State.

11. Workers' Compensation

The Grantee certifies that it is in compliance with [Minn. Stat. § 176.181](#), subd. 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

12. Governing Law, Jurisdiction, and Venue

Minnesota law, without regard to its choice-of-law provisions, governs this grant agreement. Venue for all legal proceedings out of this grant agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

13. Termination

13.1 Termination by the State. The State or Grantee may immediately terminate this grant agreement with or without cause, upon 30-days' written notice to the other party. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

13.2 Termination for cause. The State may immediately terminate this grant agreement if the State finds that there has been a failure to comply with the provisions of this grant agreement, that reasonable progress has not been made or that the purposes for which the funds were granted have not been or will not be fulfilled. The

State may take action to protect the interests of the state of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

13.3 Termination for insufficient funding. The State may immediately terminate this grant agreement if:

(a) It does not obtain funding from the Minnesota Legislature.

(b) Or, if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Grantee. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State must provide the Grantee notice of the lack of funding within a reasonable time of the State's receiving that notice.

14. Data Disclosure

Under [Minn. Stat. § 270C.65](#), subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

15. Payment to subcontractors (if applicable)

As required by Minn. Stat. § 16A.1245, the prime contractor must pay all subcontractors, less any retainage, within 10 calendar days of the prime contractor's receipt of payment from the State for undisputed services provided by the subcontractor(s) and must pay interest at the rate of one and one-half percent per month or any part of a month to the subcontractor(s) on any undisputed amount not paid on time to the subcontractor(s).

Signatures

Title	Name	Signature	Date
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Admin ID

In accordance with ARTICLE 1 of the Master AGREEMENT between the City of Lake Elmo ("CITY") and Stantec Consulting Services Inc. ("ENGINEER"), dated **May 1, 2012** ("AGREEMENT"), the ENGINEER agrees to provide Professional Engineering Support Services as follows:

WELL #2 EVALUATION FOR TEMPORARY TREATMENT

PROJECT OVERVIEW: The CITY is requesting Professional Engineering Services to evaluate the status and potential uses for Well 2, due to the new EPA standards for PFAS and the current PFAS levels found in the well. The CITY is considering the provision of temporary treatment for PFAS for Well 2 in order to continue the full production use of the Well until a permanent replacement source is established and online.

SERVICES TO BE PROVIDED BY ENGINEER: ENGINEER shall provide the following Professional Engineering Services. The services will be provided on a phased project approach.

1. *Site Investigation and Opinion on Feasibility of existing site.*
 - a. Conduct a site visit and perform necessary field survey at Well 2 pumphouse to review and document existing conditions.
 - b. Prepare preliminary site plan showing location and layout for Well 2 Temporary Treatment facilities and to detail operational requirements for site access.
2. *Identify and define a proposed Scope of Improvements for Temporary PFAS Treatment at Well 2.*
 - a. Prepare a preliminary scope of improvements needed to provide temporary PFAS treatment at Well 2 on an accelerated schedule.
 - b. Investigate alternatives as deemed appropriate to identify an appropriate solution for meeting the needs specific to Lake Elmo.
3. *Determine an Opinion of Probable Project Cost.*
 - a. Prepare a preliminary a high-level (budgetary) cost estimate for the proposed scope of improvements. Construction costs will be based on previous projects of similar character and size with unique and inflationary considerations.
 - b. Costs include an estimate of total project costs for implementation, including engineering services for planning, design and construction phases of the Project; permitting and easements necessary for implementation; testing and geotechnical services as may be needed; power and gas utility extensions, if needed; and other identifiable costs necessary for implementation.
 - c. The project costs will include a high-level estimate of annual operating and maintenance costs for the temporary treatment operations.

4. *Determine Probable Project Schedule.*
 - a. Prepare a milestone project schedule to identify an estimated timeline for having Well 2 operational and online with Temporary PFAS Treatment.
 - b. Deliverable includes two milestone schedules providing a range for project timelines based on an informed opinion.
 - c. Deliverable will include a list of critical path issues and key assumptions for the project schedule.
5. *Prepare Technical Memorandum.* The Project deliverable will be a brief Technical Memorandum providing an overall recommendation on the practical use of Well 2 with treatment, and will include a bulleted outline of both the benefits of pursuing temporary treatment for Well 2, and the key drawbacks or concerns for implementation. The Technical Memorandum will summarize the key findings and recommendations, together with a brief summary of the proposed scope of work to provide temporary treatment at Well 2, preliminary site plan, proposed project schedule and estimated total project costs.

CITY RESPONSIBILITIES: The CITY (or its consultants) will provide the following:

1. Meet with ENGINEER on a periodic basis to discuss the work in progress.
2. Assist with property access for field survey and site review.
3. Provide information on the existing water infrastructure as needed, including water demands and water quality testing.

TIMES FOR RENDERING SERVICES: The work to be completed under this Task Order is considered urgent due to the CITY's need to increase its firm water supply capacity. The Technical Memorandum will be submitted in draft form for CITY review no later than **November 10, 2023**. The Final Technical Memorandum will be submitted no later than **December 8, 2023**. If the recommendation is to pursue the design of temporary treatment for Well 2, then the final delivery will include a **Task Order** for council authorization at the **December 19, 2023** council meeting.

CITY'S REPRESENTATIVE AND CONTRACT ADMINISTRATION: The CITY's representative with respect to services rendered by ENGINEER under this TASK ORDER shall be the City Engineer. Project correspondence must be addressed to:

Jack Griffin, P.E., City Engineer
City of Lake Elmo
3800 Laverne Avenue North
Lake Elmo, MN 55042
651.300.4264
Email: Jack.griffin@focusengineeringinc.com

COMPENSATION: ENGINEER proposes to complete the Services as outlined in this letter on an hourly rate basis together with reimbursable expenses in accordance with the billing rates listed on the attached fee estimate. Services are to be completed in a not to exceed amount of **\$13,300**.

Payment for Services shall be in accordance with ARTICLE 3.2 of the Master AGREEMENT. Invoices should be sent once per month to the attention of the City Engineer.

ATTACHMENTS: N/A

APPROVAL AND ACCEPTANCE: Approval and Acceptance of this Task Order, including the attachment(s) listed above, shall incorporate this document as part of the AGREEMENT. ENGINEER is authorized to begin performance of services upon receipt of a copy of this Task Order signed by CITY.

The Effective Date of this Task Order is September 19, 2023.

STANTEC CONSULTING SERVICES INC.

CITY OF LAKE ELMO, MINNESOTA

By _____
(Authorized Principal of the Firm)

By _____
Kristina Handt, City Administrator

In accordance with ARTICLE 1 of the Master AGREEMENT between the City of Lake Elmo (“CITY”) and **Short Elliott Hendrickson, Inc. (SEH)** (“ENGINEER”), dated **AUGUST 13, 2014** (“AGREEMENT”), the ENGINEER agrees to provide Professional Engineering Support Services as follows:

WATER SYSTEM MODELING FOR NEW WATER SOURCES

PROJECT OVERVIEW: The City of Lake Elmo is considering a revised Water Supply Infrastructure Plan in response to recent developments regarding the spread of PFAS and the potential for more stringent PFAS regulations by the EPA. A shift in the plan would require the site location for Well 6 (and future Well 7) to be moved to the southern growth region of the city together with a proposed treatment plant, or the city would obtain alternative water supply sources such as St. Paul Regional Water Services (SPRWS). The change could be made in conjunction with a revised water distribution system strategy. The City of Lake Elmo requires professional engineering services to perform water distribution system modeling, using WaterCAD, to review and evaluate infrastructure changes based on revised water supply source locations, including new Well 6 and 7 located in the southern growth area, a combined point source for Well 4 and 5, and the potential point connection for SPRWS. The modeling will also include a feasibility review of operating independent North (Well 4 and 5) and South (future Well 6 and 7) water supply systems with emergency interconnects.

SERVICES TO BE PROVIDED BY ENGINEER: SEH, Inc. shall provide the following Professional Engineering Services to prepare and utilize the Lake Elmo WaterCAD model to evaluate potential water supply and distribution alternatives.

1. Provide Project Management and coordination of the Professional Services.
2. Conduct a project kick-off meeting with key representatives of the city and the SEH project team. Review overall expectations and schedule for the project.
3. Review existing model and available water system data. Develop a list of questions, data needed, and identify model updates that may be needed.
4. Review the schematic of the overall water system(s) with the city and update as needed.
5. Review the water system demand data, future water projections and needs with the city through 2040.
6. Review and create water use and demands for separated northern and southern water systems.
7. Provide schematic map printouts and data tabulations for city staff review and revisions. Finalize Water System Model Updates as needed.
8. Develop standard current water system modeling results maps (Pressure, Fire Flow, EPS Flow and Pressure).
9. Final Model Update Summary memo.
10. Build a water system modeling alternative for New Well 6 and 7 in Stonegate Park with centralized treatment plant. Using EPS water supply simulation (extended period simulation), model and evaluate the effectiveness of the distribution system and identify infrastructure

requirements to maintain an optimal level of service to customers for years 2025, 2030 and 2040. The EPS model will be operated using a Max 10-day demand assumption.

11. Build a water system modeling alternative for a combined point source for Well 4 and 5 (with a potential water treatment plant at location determined by the city). Using EPS water supply simulation (extended period simulation), model and evaluate the effectiveness of the distribution system and identify infrastructure requirements to maintain an optimal level of service to customers for years 2025, 2030 and 2040. The EPS model will be operated using a Max 10-day demand assumption.
12. Build a water system modeling alternative to review the hydraulic and operational feasibility of operating independent North (Well 4 and 5) and South (future Well 6 and 7) water supply systems with emergency interconnects. Using EPS water supply simulation (extended period simulation), model and evaluate the effectiveness of the distribution system and identify infrastructure requirements to maintain an optimal level of service to customers for years 2025, 2030 and 2040. The EPS model will be operated using a Max 10-day demand assumption.
13. Build a water system modeling alternative for a SPRWS point source serving the city, including two potential connection point alternatives. Using EPS water supply simulation (extended period simulation), model and evaluate the effectiveness of the distribution system and identify infrastructure requirements to maintain an optimal level of service to customers for years 2025, 2030 and 2040. The EPS model will be operated using a Max 10-day demand assumption.
14. Schedule and conduct meeting with city staff following the model runs for each alternative to review findings and recommendations (minimum 4 meetings).
 - Review how each alternative may require trunk main and transmission main modifications.
 - Determine facility capacities based upon siting and water supply parameters.
 - Identify utility alignments for facility integration.
15. Summarize the alternative noted above with data rich water modeling exhibits that may include color coded GIS maps and associated graphs showing facility performance and level of service outcomes for customers.

TIMES FOR RENDERING SERVICES: ENGINEER shall perform its services and provide deliverables in accordance with the following project schedule:

1. The Project schedule will vary and will be dependent upon the identification of various potential water supply sources and well sites that are identified by the city.
2. Once information becomes available to the ENGINEER, services will proceed diligently through completion.

CITY'S REPRESENTATIVE AND CONTRACT ADMINISTRATION: The CITY's representative with respect to services rendered by ENGINEER under this TASK ORDER shall be the City Engineer. Project correspondence must be addressed to:

Chad Isakson, P.E., Assistant City Engineer
City of Lake Elmo
3800 Laverne Avenue North
Lake Elmo, MN 55042
651.300.4283
Email: Chad.Isakson@FOCUSengineeringinc.com

COMPENSATION: Compensation to ENGINEER shall be based on the hourly billing rates for each staff as assigned and provided in the ENGINEER's Proposal for the work. Invoices shall be submitted once each month and should be sent to the attention of the City Engineer.

Compensation to ENGINEER for Preliminary Design Services shall be on an hourly rate basis in a not to exceed amount of **\$29,900.**

ADDITIONAL SERVICES: If authorized by the City, ENGINEER shall furnish or obtain from others Additional Services which are not considered under this Task Order. Such services shall be compensated for on an Hourly Rate basis in an amount approved by the City prior to any services being started or as otherwise mutually agreed. The City is not obligated to compensate ENGINEER for services completed outside the approved scope of work which are completed prior to ENGINEER submitting a written request to the City, and receiving written approval of the City.

ATTACHMENTS: This agreement supersedes and replaces all previous understandings, agreements or contracts, written or verbal, between ENGINEER and City, regarding the Water System Model Development and Evaluation. The following documents are attached for reference:

- 1. Attachment A - ENGINEER's Task Hours and Fee Estimate.

APPROVAL AND ACCEPTANCE: Approval and Acceptance of this Task Order, including the attachment(s) listed above, shall incorporate this document as part of the AGREEMENT. ENGINEER is authorized to begin performance of services upon receipt of a copy of this Task Order signed by CITY.

The Effective Date of this Task Order is **September 19, 2023.**

SHORT ELLIOT HENDRICKSON, INC.

CITY OF LAKE ELMO, MINNESOTA

By _____

(Authorized Principal of the Firm)

By _____

City Administrator

ATTACHMENT A - Task Hours

PROJECT NAME: 2023 Water Supply Planning and Modeling

PROJECT NUMBER: LAKMO

CLIENT: City of Lake Elmo

PROJECT MANAGER: Chad T. Katzenberger

	TOTAL HOURS			181.5		36	77	52	6	4	7
	% OF TOTAL COST					24.7%	35.8%	30.6%	4.4%	2.2%	2.3%
PHASE	DESCRIPTION OF TASK	LABOR HOURS TOTAL	LABOR TASK TOTAL	TASK TOTAL	Katzenberger Project Manager	Schumacher Project Engineer & Modeler	McCormack Lead Project Engineer	Parr Senior Engineer - Review	Steuernagel GIS	Admin Admin	
1	Water System Supply Modeling and Planning										
	Conduct a project kick-off meeting with key representatives of the city and the SEH project team. Review overall expectations and schedule for the project+ Project Management	22	\$3,946	\$3,946	12	4	4			2	
	Review existing model and available water system data. Develop a list of questions, data needed, and identify model updates that may be needed.	7	\$1,012	\$1,012	0.5	4	2				
	Review the schematic of the overall water system(s) with the city and update as needed.	6	\$873	\$873	0.5	3	2				
	Review the water system demand data, future water projections and needs with the city through 2040.	9	\$1,513	\$1,513	1	2	4		2		
	Review and create water use and demands for separated northern and southern water systems.	9	\$1,468	\$1,468	1	4	4				
	Provide schematic map printouts and data tabulations for city staff review and revisions. Finalize Water System Model Updates as needed.	12	\$2,027	\$2,027	2	4	6				
	Develop standard current water system modeling results maps (Pressure, Fire Flow, EPS Flow and Pressure).	14	\$2,232	\$2,232	2	8	4				
	Final Model Update Summary memo.	10	\$1,596	\$1,596	2	4	3			1	
	Build a water system modeling alternative for New Well 6 and 7 in Stonegate Park with centralized treatment plant. Using EPS water supply simulation (extended period simulation), model and evaluate the effectiveness of the distribution system and identify infrastructure requirements to maintain an optimal level of service to customers for years 2025, 2030 and 2040. The EPS model will be operated using a Max 10-day demand assumption.	10	\$1,614	\$1,614	1	6	2	1			
	Build a water system modeling alternative for a combined point source for Well 4 and 5 (with a potential water treatment plant at location determined by the city). Using EPS water supply simulation (extended period simulation), model and evaluate the effectiveness of the distribution system and identify infrastructure requirements to maintain an optimal level of service to customers for years 2025, 2030 and 2040. The EPS model will be operated using a Max 10-day demand assumption.	10	\$1,614	\$1,614	1	6	2	1			
	Build a water system modeling alternative to review the hydraulic and operational feasibility of operating independent North (Well 4 and 5) and South (future Well 6 and 7) water supply systems with emergency interconnects. Using EPS water supply simulation (extended period simulation), model and evaluate the effectiveness of the distribution system and identify infrastructure requirements to maintain an optimal level of service to customers for years 2025, 2030 and 2040. The EPS model will be operated using a Max 10-day demand assumption.	10	\$1,614	\$1,614	1	6	2	1			
	Build a water system modeling alternative for a SPRWS point source serving the city, including two potential connection point alternatives. Using EPS water supply simulation (extended period simulation), model and evaluate the effectiveness of the distribution system and identify infrastructure requirements to maintain an optimal level of service to customers for years 2025, 2030 and 2040. The EPS model will be operated using a Max 10-day demand assumption.	10	\$1,614	\$1,614	1	6	2	1			
	Schedule and conduct meeting with city staff following the model runs for each alternative to review findings and recommendations (minimum 4 meetings).	12	\$2,091	\$2,091	4	4	4				
	Review how each alternative may require trunk main and transmission main modifications.	14	\$2,063	\$2,063	2	4	4			4	
	Determine facility capacities based upon siting and water supply parameters.	8	\$1,397	\$1,397	2	2	4				
	Identify utility alignments for facility integration.	6	\$1,090	\$1,090	2	2	1	1			
	Summarize the alternative noted above with data rich water modeling exhibits that may include color coded GIS maps and associated graphs showing facility performance and level of service outcomes for customers.	14	\$2,112	\$2,112	0.5	8	2	1	2		
	TOTAL PHASE 1	182	\$29,878	\$29,878	35.5	77	52	6	4	7	
	Labor Total	182	\$ 29,900	\$ 29,900	36	77	52	6	4	7	