



DIXON

**ENGINEERING & INSPECTION SERVICES
FOR THE COATING INDUSTRY**

9415 West Forest Home
Suite 208
Hales Corners, WI 53130
Telephone: (630) 220-1410

July 29, 2015

Mr. Dave Hanson
Village of Antioch
796 Holbek Drive
Antioch, IL 60002

Subject: Engineering & Coating Inspection Services for the 250,000 Gallon Spheroid Water Storage Tank

Dear Mr. Hanson:

Enclosed is the engineering and coating inspection proposal for the 250,000 gallon spheroid water storage tank.

Our proposal is divided into a Cover Page, Schedule A, Schedule B, Schedule C, and General Provisions. The Cover Page proposes a not-to-exceed fee. Schedule A details our scope of services. Schedule B contains the fees for the services outlined in Schedule A. Schedule C provides fees for additional services, if requested.

We appreciate the opportunity to submit this proposal. If you have any questions, please feel free to contact me at (630) 220-1410.

FOR DIXON ENGINEERING, INC.,

Brad Schotanus
Project Manager

Enclosure



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**Proposal/Contract Agreement
for Water Storage Tank
250,000 Gallon Spheroid, (Bowels Road), #99-49-06-05**

The Agreement is between Dixon Engineering, Inc. (DIXON) and the Village of Antioch, Illinois (Owner) to contract with DIXON for technical services for the 250,000 Gallon Spheroid (Project). This Agreement inclusive together with any expressly incorporated appendix or Schedule constitutes the entire Agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

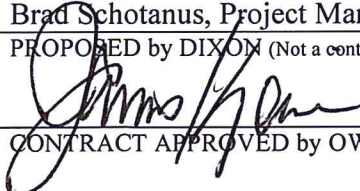
1.01 BASIC AGREEMENT

DIXON shall provide, or cause to be provided, services detailed in Scope of Services and Owner agrees to pay DIXON as compensation for their services the fee/lump sum of Nineteen Thousand, Nine Hundred, Thirty Three dollars, and Twenty cents (\$19,933.20). Terms of charges and payments per details in Schedule B. (Prices quoted are subject to change ninety (90) days after proposal date, if not contracted.)

2.01 SCOPE OF SERVICES

Preparation of Technical Specifications and Contract Documents, Project Administration, Pre-Construction Meeting, Weld Inspection, Paint Inspection Services, and Cathodic Protection Inspection per Schedule A

3.01 SIGNATURES

Brad Schotanus, Project Manager		July 29, 2015
PROPOSED by DIXON (Not a contract until approved by an officer)		PROPOSAL DATE
	VILLAGE ADMINISTRATOR	8/7/15
CONTRACT APPROVED by OWNER	POSITION	DATE
CO SIGNATURE (if required)	POSITION	DATE
CONTRACT APPROVED by DIXON OFFICER	POSITION	EFFECTIVE CONTRACT DATE

Members: Society of Protective Coatings • American Water Works Association
Consulting Engineers Council

SCHEDULE A
250,000 Gallon Spheroid, (Bowels Road), #99-49-06-05
Antioch, Illinois

I. Technical Specifications & Contract Documents

A. Owner agrees:

1. Use the Contract Documents provided by Dixon when entering into an agreement with the Contractor. Dixon will not unreasonably withhold a request to alter the document.
2. Publish and pay for all local advertising costs per Owner's requirements.
3. Provide a place for the bid opening.
4. Open the bids received.
5. Review Payment and Performance Bonds, and insurance certificates of selected Contractor. These should be reviewed by the Owner's insurance consultant and attorney.
6. Sign and forward to the Contractor the notice to award, contract documents, and notice to proceed. These documents will be supplied to the Owner by Dixon.

B. DIXON agrees:

1. Preparation of Technical Specifications and Contract Documents:
 - a. Prepare Technical Specifications and Contract Documents for project to include, but not limited to, the following:
 - 1) Advertisement for Bids
 - 2) Information for Bidders
 - 3) General Conditions
 - 4) Detailed Technical Specifications and Drawings
 - 5) Bid/Agreement Form
 - b. Address all questions, written or verbal response, concerning the project that are submitted to DIXON. (Dixon will not be held to any non-written statement.)
 - c. Direct mail advertisements to Contractors who have been prior approved as capable and conscientious by DIXON.
 - d. Send specifications to selected, appropriate plan rooms such as Builders Exchanges and Dodge Reports.
 - e. Review the bids submitted to the Owner and recommend award based on lowest responsible and responsive bidder. Provide notice of award for issuance to the Contractor.
 - f. Furnish Owner the Contract Documents for execution.
 - g. Furnish Owner with Notice to Proceed for issuance to the Contractor.

II. Project Administration:

1. Project administration for the purpose of coordinating the inspection program, local inspector assistance, secretarial services, shop drawing review, and project finalization.

2. Review Contractor's Schedule of Values and work schedule.
3. Review shop drawings for compliance with technical specifications.
4. Review all requests for change orders and make recommendations to the Owner.
5. Perform services expected of Engineer and detailed in the EJCDC General Conditions.

III. Pre-construction Meeting:

1. Attend a pre-construction meeting, and distribute minutes to major participants. Topics of discussion will include Contractor's:
 - a. emergency response plan,
 - b. responsibilities to the Owner,
 - c. responsibilities to her/his workers,
 - d. responsibilities to the public
 - e. inspection start time
 - f. inspection schedule
 - g. liquidated damages
 - h. Contractor's site specific Lead, Health, and Safety Plan
 - i. Who Contractor's designated OSHA competent person for lead, health and safety plan for notification and protection of the public
2. Contractor will have submittals which are to be submitted ten (10) days prior to the pre-construction meeting. Some of these include: Contractor's schedule, ventilation, fall prevention, confined space, waste hauler certifications, welder certifications, etc. These will be reviewed prior to meeting and only deficiencies discussed.

IV. Critical Phase Inspections:

A. Weld Inspection:

1. One (1) visit(s) to inspect repair/installation work for specification compliance. All weld repairs will be visually inspected for surface defects (i.e. undercut, negative reinforcement, non-fusion, etc.).

B. Exterior – Painting:

1. Concurrent with other inspection, set the standard for exterior water blast cleaning, examine surface profile and feathering created for compliance with specifications.
2. Two (2) visit(s) to inspect exterior high pressure water cleaning for thoroughness and compliance with specifications, and set a standard for spot tool cleaning (SP-11) or abrasive blast cleaning.
3. Concurrent with other inspection, inspect exterior abrasive blast cleaning for thoroughness, surface profile, and compliance with specifications. The exterior binder coat will be inspected for uniformity, coverage, and dry film thickness prior to application of the succeeding paint coat.
4. One (1) visit(s) to inspect exterior spot power tool cleaning for thoroughness, surface profile, feathering, and compliance with specifications.

5. One (1) visit(s) to inspect the exterior prime coating for uniformity, coverage, and dry film thickness prior to application of the succeeding paint coat.
 6. One (1) visit(s) to inspect the exterior intermediate epoxy coating for uniformity, coverage, and dry film thickness prior to application of the succeeding paint coat.
 7. Concurrent with other inspection, inspect the exterior intermediate urethane coating for uniformity, coverage, and dry film thickness prior to application of the succeeding paint coat.
 8. One (1) visit(s) to inspect the exterior topcoat for uniformity, coverage, performance, and dry film thickness for compliance with specifications. Examine the overall project for possible damage caused by equipment removal. Inspect the application of top coats/installation of screens, light bulbs, etc.
 9. One (1) visit(s) to inspect the application of the lettering/logo to the exterior for thoroughness, location and aesthetic appearance in accordance with specification requirements.
- C. Dry Interior – Painting:
1. One (1) visit(s) to inspect dry interior spot power tool cleaning for thoroughness, surface profile, feathering, and compliance with specifications.
 2. One (1) visit(s) to inspect the dry interior primer coat for uniformity, coverage, and dry film thickness, prior to application of the succeeding paint coat.
 3. One (1) visit(s) to inspect the dry interior topcoat for uniformity, coverage, performance, and dry film thickness for compliance with specifications. Examine the overall project for possible damage caused by equipment removal. Review all contract items to assure they have been completed according to contract requirements.
- D. Project Finalization
1. One (1) visit(s) to formulate a punch list of items to complete.
 2. One (1) visit(s) to finalize the project to assure all items in the contract specifications have been completed, and the quality of workmanship meets contract requirements.

Collection of samples will be taken during regularly scheduled visits.

V. Cathodic Protection Inspection Services:

1. One (1) visit(s) to inspect the cathodic protection repair/installation work for specification compliance.

VI. Inspection Services:

1. Review Contractor's crew size and equipment for ability to meet specification requirements and time constraints.
2. Review abrasive and coating materials for approved manufacturers.
3. Inspect compressed air at blast nozzle for cleanliness (i.e. oil, moisture).

4. Measure surface profile created by abrasive blast cleaning by compressive tape or surface comparator.
5. Inspect abrasive blast cleanliness for specification requirements using SSPC Visual Standards, latest edition thereof.
6. Review coating mixing, thinning, and manufacturer's application requirements.
7. Monitor environmental conditions prior to and during coating application (i.e. ambient temperature, surface temperature, relative humidity, and dew point).
8. Inspect applied coating for dry film thickness, coverage, uniformity, and cure.
9. Collect appropriate samples for pre-disposal laboratory testing.
10. Prepare daily inspection report detailing above mentioned items and daily progress.

SCHEDULE B

*250,000 Gallon Spheroid, (Bowels Road), #99-49-06-05
Antioch, Illinois*

1. Payment for Scope of Services, Schedule A – Technical Specifications & Contract Documents, is the lump sum fee of \$3,500.00.
2. Compensation for Schedule A – Project Administration, shall be the time and material fee of \$500.00. Payment due as project progresses.
3. Compensation for participation at the pre-construction meeting shall be the lump sum fee of \$500.00, and will include preparation and travel time.
4. Compensation for weld inspection, Schedule A – Critical Phase Inspections is \$650.00 based on a \$650.00 per visit fee with one (1) visit(s) recommended.
5. Compensation for paint inspections, Schedule A – Critical Phase Inspections is \$7,500.00 based on a \$625.00 per visit fee with twelve (12) visit(s) recommended.
6. Payment for Schedule A – Cathodic Protection Inspection Services is \$650.00 based on a \$650.00 per visit fee with one (1) visit(s) recommended.
7. DIXON will provide daily inspection services as outlined in Schedule A – Inspection Services. Compensation for these services is \$6,633.20, estimated using an average of eight (8) hours on-site daily. This time frame will vary based on Contractor speed, Contractor activity, complexity of individual inspection, and environmental or neighbor concerns. DIXON reserves the right to send the level of inspector they feel necessary based on the Contractor, project scope, and project progress. All fees are time and material per Schedule C. DIXON will notify the Owner bi-weekly of the “ESTIMATED” remaining budget, and will advise if a change in fees or Scope of Services is necessary. The fee and Scope of Services are negotiable between DIXON and the Owner.

Typical inspection schedule and associated rates:

Daily Inspection:

Travel time 1.5 hrs. @ \$75.00/hr.	=	\$112.50
Inspection time 8 hrs. @ \$75.00/hr.	=	600.00
Mileage 72 miles @ \$0.70/mile	=	50.40
Secretarial 0.5 hrs. @ \$50.00/hr.	=	25.00
Contract Administration 0.33 hrs. @ \$125.00/hr.	=	<u>41.25</u>
Total Estimated Daily Fee:	=	\$829.15

Estimated Daily Fee	\$829.15
Project Length	x 8 days
Total Inspection Fee	\$6,633.20

8. DIXON reserves the right to adjust individual inspection line items as necessary based on the Contractor’s performance and pace of work. The total fees for Schedule B will not be exceeded without prior approval from the Owner.

9. Invoices will be compiled after the 20th of the month and shall include from the 20th of the preceding month to the 20th of the invoiced month. Bimonthly invoicing will be completed on larger projects, or at the Owner's request.
10. All DIXON service invoices which are paid within ten (10) days of date of issue shall be discounted (Owner's favor) one percent (1%).
11. Failure by the Contractor to notify DIXON of the necessity to change inspection dates more than twenty-four (24) hours in advance and which results in unnecessary travel and/or expense to DIXON shall cause this travel and expense to be considered an additional service, and DIXON shall be compensated for travel and/or expense under the provisions of Schedule C of the Agreement.
12. Requests for attending council meetings shall be forthcoming from the Owner in writing unless other arrangements are made between the Owner and DIXON. Attendance of council meetings shall be considered an additional service and DIXON shall be compensated under the provisions of Schedule C of the Agreement.

SCHEDULE C

Engineering Services Fees

<u>Labor Class</u>	<u>Per Hour</u>	<u>*Overtime Rate</u>
Principal.....	\$175.00	
Expert Witness (Office, Travel & Court).....	\$185.00	
Project Manager.....	\$125.00	
Registered Professional Engineer.....	\$125.00	
Certified NACE Inspector.....	\$100.00	
Assistant Project Manager.....	\$100.00	
Staff Engineer – Level III.....	\$75.00 to \$85.00	
Staff Engineer – Level II.....	\$70.00 to \$80.00	
Staff Engineer – Level I.....	\$65.00 to \$75.00	
CAD Supervisor.....	\$65.00 to \$75.00	
CAWI or CWI Welding Inspector.....	\$100.00 to \$110.00	
Inspector – Level III.....	\$70.00 to \$80.00	
Inspector – Level II.....	\$65.00 to \$75.00	
Inspector – Level I.....	\$60.00 to \$70.00	
CAD Technician.....	\$60.00 to \$70.00	
Secretarial Services.....	\$50.00 & expenses	
Bookkeeping Services.....	\$45.00	
Project Status Meetings w/Project Engineers and Council or Board Meetings.....	Time and Expenses, Including Preparation Time	

*All Saturday, Sunday, and holiday inspections are overtime rate. Overtime rate is 1 ½ time the hourly rate. Overtime rate does not apply to Principal.

Expenses:

	<u>Metropolitan</u>	<u>Non–Metropolitan</u>
Mileage.....	\$0.70/mile (including tolls)	\$0.60/mile
Meals & Lodging,	\$155 per diem <i>(may be increased based on location)</i>	\$135 per diem
Without Lodging.....	\$35/day	\$30/day
Air Travel.....	Business fare from Grand Rapids, Chicago O’Hare, or Milwaukee, plus full size car rental	
Material (gaskets, cathodic protection caps, etc.).....	Negotiated	

FEES EFFECTIVE THROUGH DECEMBER 31, 2015

Revised 07/07/2015
07/07/2015

4.01 ADDITIONAL SERVICES

- A. If additional services are **Requested and Authorized** by the Owner which are not within the proposed Scope of Services (Schedule A) or because of changes in the Project, these additional services will be on a time and material basis per fee schedule of attached Schedule C.
- B. **Delay by the Owner** in completing the work, which is their responsibility per Schedule A (Owner) and which extends the amount of time required for DIXON to complete their work, will be charged as an Additional Service.
- C. **Failure by the Owner to notify** DIXON of the necessity to change inspection dates more than twenty-four (24) hours in advance and which results in unnecessary travel and/or expense to DIXON shall cause this travel and expense to be charged as Additional Service.

5.01 Termination

- A. The obligation to provide further services under this Agreement may be terminated:
 - 1. For cause,
 - a. By either party upon thirty (30) days written notice in the event of substantial failure by the other party to perform in accordance with the Agreement's terms through no fault of the terminating party. Agreement will not terminate as a result of substantial failure under paragraph 5.01.A.1.a if the party receiving such notice begins, within seven (7) days of receipt of such notice, to correct its failure and proceeds diligently to cure such failure within no more than thirty (30) days of receipt of notice; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such thirty (30) day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein shall extend up to, but in no case more than, sixty (60) days after the date of receipt of the notice.
 - b. By DIXON upon seven (7) days written notice:
 - 1) If Owner fails to pay invoices within sixty (60) days.
 - 2) Upon seven (7) days written notice if the DIXON's services for the Project are delayed or suspended for more than ninety (90) days for reasons beyond DIXON's control.
 - 3) If DIXON believes that Engineer is being requested by Owner to furnish or perform services contrary to Engineer's responsibilities as a licensed professional.
 - 4) DIXON shall have no liability to Owner on account of such termination.
 - 2. For Convenience,
 - a. By Owner effective upon the receipt of notice by DIXON.
- B. The terminating party may set the effective date of termination at a time up to thirty (30) days later to allow Engineer to demobilize personnel and equipment from the Project site, to complete tasks whose value would otherwise be lost, to prepare notes as to the status of completed and uncompleted tasks, and to assemble Project materials in orderly files.

6.01 Controlling Law

- A. This Agreement is to be governed by the law of the state in which the Project is located.

7.01 Successors, Assigns, and Beneficiaries

- A. OWNER and DIXON and their successors are hereby bound to successors and legal representatives of the other to the extent permitted by law in respect of all covenants, agreements, and obligations of this Agreement.
- B. Neither OWNER nor DIXON may assign, sublet, or transfer any rights under or interest (including, but without limitation, moneys that are due or may become due) in this Agreement.

8.01 General Considerations

- A. The **Standard of Care** for all professional engineering and related services performed or furnished by DIXON under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. DIXON makes no warranties, expressed or implied, under this Agreement or otherwise, in connection with DIXON's services. DIXON and its consultants may use or rely upon the design services of others, including, but not limited to, contractors, manufacturers, and suppliers.
- B. DIXON shall **Not** at any time **Supervise**, direct, or have control over any of the **Owner's** work, nor shall DIXON have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by Owner, for safety precautions and programs incident to Owner's performance of Schedule A (Owner's).
- C. All **Design Documents** prepared or furnished by DIXON are instruments of service, and DIXON retains an ownership and property interest (including the copyright and the right of reuse) in such documents, whether or not the Project is completed.
- D. DIXON agrees to defend, **Indemnify**, and hold harmless the Owner, its officers, agents, and employees, from and against legal liability for all claims, losses, damages, or expenses to the extent such claims, losses, damages, or expenses are caused by Engineer's negligent or intentional acts, errors, or omissions. Limits of liability for negligence are based on the comparative negligence principle.
- E. The parties acknowledge that DIXON's Scope of Services does not include any services related to a **Hazardous Environmental Condition** (the presence of asbestos, PCBs, petroleum, hazardous substances or waste, and radioactive materials). DIXON acknowledges that some hazardous metals may be encountered in coatings.

8.02 Severability

- A. If any clause or paragraph or sentence is found to be in opposition to any law in the state of the Project, that clause or paragraph or sentence may be severed from the Agreement with no effect on remaining clauses.

8.03 Headings

- A. Article and paragraph headings are inserted for convenience only and do not constitute parts of these General Conditions. Words in the first sentence are in bold to act as secondary headings and should not be interpreted any different than a numbered heading.