

WORK ORDER/PROPOSAL FOR PROFESSIONAL SERVICES

| | |
|---|--|
| TO: City of Lead | BROSZ PROPOSAL #: L1 - 2026 |
| CONTACT: Robin Lucero (City Administrator) | BROSZ PROJECT #: |
| ADDRESS: 801 W. Main Street | JOB TITLE: City of Lead Water, Sanitary & Storm Facility Plan |
| Lead, SD, 57754-1533 | JOB DESCRIPTION: Facility Plan Report |
| OFFICE: (605) 584-1401 | JOB LOCATION: Lead, SD |
| CELL: | |
| EMAIL: robinl@cityoflead.com | |

BROSZ ENGINEERING WILL PROVIDE ENGINEERING SERVICES TO THE CLIENT AS SET FORTH BELOW:

Scope of Services

Brosz Engineering, hereinafter known as the "Engineer", will provide the complete scope of services listed in Exhibit A to the City of Lead hereinafter known as the "City". The overall completion date for the Scope of Services shall be **February 15, 2027**. Items included as additional services will be negotiated to include adjustments to the intermediate due dates and overall completion date.

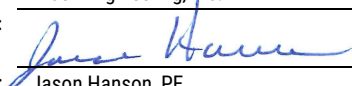
Compensation

Services outlined in Exhibit A will be provided at a total lump sum fee of **\$ 79,600.00**. As each task is completed a partial payment will be respectively invoiced as per the table below. Items included in additional services will be estimated at the time the request is made and completed at an hourly rate as per Engineer's most recent published schedule of rates (See Attachment #2).

| | |
|--|---------------------|
| Task 1: Site Visit and Initial Data Collection | \$ 17,000.00 |
| Task 4: Report of Findings | \$ 52,600.00 |
| <u>Task 5: Presentation of Findings</u> | <u>\$ 10,000.00</u> |
| Total | \$ 79,600.00 |

This work order/proposal incorporates and includes the attached General Conditions.

ACCEPTANCE & AUTHORITY:

| | |
|-------------------------------|---|
| ACCEPTED: City of Lead | ACCEPTED: Brosz Engineering, Inc. |
| SIGNATURE: | SIGNATURE:  |
| PRINTED: Dustin Heupel | PRINTED: Jason Hanson, PE |
| TITLE: Mayor | TITLE: Senior Principal |
| DATE: | DATE: 6/11/26 |

Please sign, retain one copy for your records and return one copy to Brosz Engineering, Inc. for authorization to proceed.



EXHIBIT A SCOPE OF SERVICES FOR CONSULTANT SERVICES

Date: 6/10/2026

PROJECT INFORMATION

The City of Lead is requesting a comprehensive water, sanitary, and storm system facility plan as a resource to make decisions on future infrastructure improvements. The facility plan will complement the planning, regulatory, and funding process as outlined by SD DANR's State Revolving Fund program.

The City has a significant need to update and replace its current underground infrastructure and continue the process of separating its combined sanitary and stormwater collection systems. The current combined system requires significant operation and maintenance, overtaxes the treatment plant, and demands extensive financial capital to operate. The water system was inherited by the Homestake Mine in 1994. The system was, at that time, already old and utilized primarily cast iron mains which are prone to breaks and water loss.

Based on SD DANR funding and planning requirements, drinking water and sanitary projects requesting state assistance are required to complete a State Water Plan applications process, and a facilities plan is expected with the application. A complete facilities plan should document existing conditions, define the need for the project, evaluate reasonable alternatives, provide cost comparisons and justification for the selected alternative, address environmental considerations, identify permitting and property needs, and establish a practical implementation schedule. Our approach is intended to produce a planning level document that can be used by the City, funding agencies, and regulators as the project advances toward design and construction.

SCOPE OF WORK

Brosz Engineering, Inc. will provide the following work items for the project:

Task 1: Site Visit and Collect Initial System & Financial Information

- Engineer will meet with the City to discuss project goals, known deficiencies, funding objectives, and schedule. We will review available mapping, record drawings, operational data, water use records, short lived asset inventories, prior studies, capital improvement plans, and available financial information.
- Engineer will require access to all water, wastewater, and stormwater assets (tanks, pump stations, lift stations, manholes, drop inlets, and pipelines) and visually inspect and document their current condition and determine remaining operational life expectancy.

City Responsibility

- City will furnish available data and records as specified in Attachment #1

Deliverable & Billing Milestones (as a percentage of the total task 1 fee):

- Site Visit 100%

Task 2: System Analysis

- Population projections will be completed for the Facility Plan. Engineer will work with City to verify growth rates expected for the community. These projections will be used to determine potable water usage and wastewater flow, and loading produced by the community for the next 30 years. Projections will be used to ensure that water and wastewater facilities will be adequate now and into the future.
- Engineer will define planning criteria, projected demands, level of service targets, and infrastructure needs based on current conditions and reasonable planning assumptions.
- Engineer will evaluate the current water supply, water quality, storage, pumping, and distribution system components to identify operational, capacity, condition, reliability, and regulatory issues affecting existing infrastructure. A system-wide hydraulic model will be built using KY Pipe software. Relevant water usage data will be analyzed to evaluate average and peak flow conditions under current operations and potential future scenarios with additional usage.
- Engineer will evaluate the current sanitary system and stormwater system including treatment, lift stations, manholes, drop inlets, and collection system components to identify operational, capacity, condition, reliability, and regulatory issues affecting existing infrastructure.
- Engineer will review best available historical flow and wastewater loading information for the previous five (5) years to determine average day conditions within the system. Historical flow and loading information shall be used as a baseline in order to project most probable flow and loadings for the next 30 years.
- Engineer will develop feasible improvement alternatives and compare them on the basis of technical feasibility, regulatory compatibility, constructability, operational considerations, cost, and long-term value.

Task 3: Estimating

- From Task 1 visit and Task 2 analysis, Engineer will identify the materials and labor needed to construct the project and produce a planning level cost estimate for each proposed alternative based on previous project experience, similar projects completed, and average SDDOT bid item reports.
- Alternatives will be compared using Equivalent Uniform Annual Cost (EUAC) or another method approved by SD DANR.

Task 4: Report of Findings

- Engineer will request environmental reviews from applicable state and federal agencies and review permitting needs, easement or property requirements, utility coordination, and other implementation constraints that could affect schedule or project development.
- Engineer will coordinate with SD DANR to ensure the facility plan meets all regulatory requirements. The Engineer will also explore funding scenarios with SD DANR to inform the City of potential funding opportunities and financial implications.
- Engineer will prepare a draft facility plan documenting findings, analyses, recommended alternatives, implementation considerations, and next steps for funding applications, design, and construction.
- Engineer will provide both physical and electronic copies of the draft facility plan that meet SD DANR guidelines to the City. A meeting will be held to present findings, answer questions, and document requested revisions.

Deliverable & Billing Milestones (as a percentage of the total task 4 fee):

- Draft Facility Plan 100%

Task 5: Presentation of Findings

- Engineer will attend one closeout meeting with the City to present the final report findings, address questions, and discuss the next steps for funding applications, design, permitting, and construction timelines.
- After incorporating feedback, Engineer will submit the Final Report to the City and SD DANR. Any additional revisions requested by SD DANR will be addressed and resubmitted for final approval.

Deliverable & Billing Milestones (as a percentage of the total task 5 fee):

- Presentation to the Council and Final Report Submittal 100%

Task 6: Public Input Meetings

- Engineer will assist the City with a public input meeting as required for a state water plan application and/or SRF funding application.

ADDITIONAL SERVICES:

Upon written request, Engineer will provide additional services as described below or as agreed upon outside the scope of services as prescribed and outlined in this agreement at an hourly rate for the actual work provided as per Engineer's most recent published schedule of rates (See Attachment #2). Billing would occur monthly and payment shall adhere to the conditions set forth in this agreement in order for the commencement of Additional Services to be rendered and avoid stoppage of work or delays in services.

Inventory of Existing Water Infrastructure

- Engineer will perform a field inventory of readily accessible water infrastructure. No subsurface investigation will be conducted. Inventory will be conducted within a GIS platform. Inventoried data will be made available to the City in the form of standard GIS shapefiles.

Inventory of Existing Sanitary and Stormwater Infrastructure

- Engineer will perform a field inventory of readily accessible sanitary manholes and stormwater collection infrastructure. No subsurface investigation will be conducted. Inventory will be conducted within a GIS platform. Inventoried data will be made available to the City in the form of standard GIS shapefiles and video files of the manhole structures.

Hydrant Testing

- Engineer will perform field hydrant testing throughout the community on a select number of hydrants to correlate testing data to modeling results. Selected hydrants will be coordinated between Engineer and City staff, and operation of the hydrants shall be performed by City staff. Hydrants results will be made available to City staff.

CCTV Televising

- Engineer will coordinate televising of all or select sections of sanitary sewer. Contractor will be solicited by the Engineer and approved by City staff. Result of televising will be made available to the City.

USDA-RD Funding Coordination & Review

- Engineer will update the facility plan to comply with USDA-RD preliminary engineering report (PER) requirements. Engineer will coordinate the submittal and review process.

Funding Coordination

- Engineer will coordinate funding applications and/or documentation for opportunities beyond the SD DANR SRF program. These may include FEMA, CDBG, DOT CAG, etc.

Public Engagement Representative

- Engineer will assist the City with coordination and communication directly with the public. This may entail public meetings and notices via newspaper, online, and/or social media.

Deliverables Schedule (Dates are Not to Exceed):

| | |
|---|---|
| Contract Execution | 6/15/26 - (June Council Meeting) |
| Task 1: Site Visit and Collect Initial System & Financial Information | |
| Site Visit | 7/9/26 - (On or before) |
| Task 2: System Analysis | |
| Task 3: Estimating | |
| Task 4: Report of Findings | |
| Draft Facility Plan | 2/5/27 |
| Task 5: Presentation of Findings | |
| Presentation to the Council | 2/15/27 - (February Council Meeting) |
| Task 6: Public Input Meeting | |
| Public Meeting | TBD - (Before September 1 st , 2027) |

Services Not Included Unless Requested Under Additional Services:

- Televising Services and Fees
- Geotechnical Services and Fees
- Cultural, Historical, and Environmental Surveys and Reports for funding
- Construction Plans
- Preparation or submission of funding applications
- Topographic Survey Services
- Platting, Zoning, Title, and Legal Surveying Services
- Easement and ROW Services
- Bidding Services
- Floodplain Permitting
- USACE Regulatory Permitting
- Wetland Delineation
- FEMA Study or Map Revisions
- Traffic Studies
- Utility Permitting
- City, County, and State Review Fees
- Construction Contract Documents
- Construction Contract Management (Change Orders & Pay Applications)
- Coordination and Communication with the public beyond public input meetings
- Legal Representation / Expert Witness Services

General Conditions

Total Agreement: This Agreement (consisting of the Work Order/Proposal for Professional Engineering Services, these General Conditions, and any expressly incorporated attachments), constitutes the entire Agreement between the Client and Brosz Engineering, Inc. (Brosz) and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

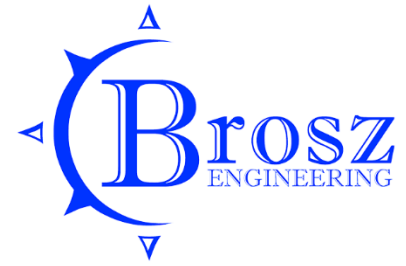
General Considerations:

- A. The standard of care for all services performed or furnished by Brosz 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. Brosz makes no warranties, express or implied, under this Agreement or otherwise, in connection with any services performed or furnished by Brosz. Subject to the foregoing standard of care, Brosz and its consultants may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.
- B. Brosz shall not be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any Contractor, or the safety precautions and programs incident thereto for security or safety at the Project site, nor for any failure of a Contractor to comply with laws and regulations applicable to such Contractor's furnishing and performing of its work. Brosz shall not be responsible for the acts or omissions of any Contractor.
- C. Any opinions of probable construction cost provided by Brosz are to be made on the basis of experience and general familiarity with the construction industry. However, because Brosz has no control over the cost of labor, materials, equipment, or services furnished by others, or over contractors' methods of determining prices, or over competitive bidding or market conditions, Brosz cannot and does not guarantee that proposals, bids, or actual construction cost will not vary from opinions of probable construction cost prepared by Brosz.
- D. To the fullest extent permitted by law, Client and Brosz (1) waive against each other, and the other's employees, officers, directors, members, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to this Agreement or the Project, and (2) agree that Brosz's total liability to Client under this Agreement shall be limited to \$50,000 or the total amount of compensation received by Engineer, whichever is less.
- E. This Agreement is to be governed by the law of the state in which the Project is located.

Payment Procedures: Invoices shall be prepared in accordance with Brosz's standard invoicing practices and will be submitted to the Client on a monthly basis. Invoices are due and payable within 30 days of receipt. If Client fails to make any payment due within 30 days after receipt of invoice, the amount due will be increased at the rate of 18% per annum on the unpaid balance.

Termination: The obligation to continue performance under this Agreement may be terminated for convenience by the Client effective upon Brosz's receipt of written notice from Client, or for cause by either party upon 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. Upon termination, Brosz will be entitled to invoice Client and to receive full payment for services performed or furnished in accordance with this Agreement incurred through the effective date of termination.


Severability: In the event any provision of these General Conditions, in whole or in part, is held invalid or unenforceable under applicable law, the General Conditions shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.



Attachment 1 - Data Request List

Required Water System Data:

1. System GIS map data with the following attributes:
 - a. Pipe (Line Shapefile):
 - i. Pipe Size
 - ii. Pipe material
 - iii. Pipe pressure class and sizing specification (DIPS vs. IPS)
 - iv. Pipe Age
 - b. Valves, Hydrants, Tanks, Pumps, PRVs, Master Meter Stations (Node Shapefile for Each Component Type):
 - i. Valves and Curb Stops
 1. Location
 2. Size
 3. Open or Closed
 - ii. Hydrant
 1. Location
 2. Size
 3. Type (fire or flush hydrant)
 - iii. Tanks
 1. Location
 2. Volume
 - iv. Pump Stations
 1. Location
 - v. Pressure Reducing Stations
 1. Location
 - vi. Master Meter Stations
 - Location
 - c. Customer Data (Node Shapefile):
 - i. Service location
 - ii. Customer ID or account number
 - iii. Service type (residential, commercial, industrial)
 - iv. Meter Size
 - v. Demand tied to customer ID/Account
 - d. ***Physical system maps may be used in lieu of GIS data; however, accuracy of the system analysis may be affected.***

- 
2. Customer Data
 - a. Current customer list and respective monthly gallons sold for a minimum of three full years (list shall correlate with the service locations within GIS)
 - b. Detailed hourly usage information on large customers (customers with 1" meter size and larger)
 3. Existing Pump Station Data
 - a. Pump station as-builts
 - b. Pump models with typical operational conditions and settings
 4. Existing Pressure Reducing Station Data
 - a. Pressure regulating station as-builts
 - b. Pressure regulating station valve size and settings
 5. Existing Tank Data
 - a. As-built of existing storage tanks
 - b. Overflow height
 - c. Floor Elevation
 - d. Diameter
 6. Master Meter Data
 - a. As-built of existing master meters
 - b. Daily or monthly metering records
 7. Water Source Data
 - a. Supply source type (ground well, surface intake, or from others)
 - b. Regulated, contractual, or rated flow of source water
 - c. Available pressure from source water
 8. Information on any additional facility that controls pressure and/or flow
 9. Future growth plans or developments that require significant water usage
 10. Optional System Data (if available):
 - a. SCADA data for all pumps, tanks, and pressure regulating stations
 - i. If online, a username and password to the access the site
 - ii. If offline, physical exports of system operation
 - b. Hydrant flow testing results
 - c. Current operational challenges
 - d. History of pipe breaks
 - e. Previous capital improvement or facility plans
 - f. Water quality reports

Required Sanitary and Storm System Data:

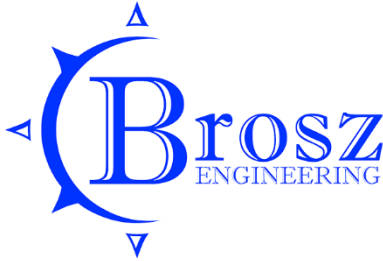
1. System GIS map data with the following attributes:
 - a. Pipe (Line Shapefile):
 - i. Pipe Size
 - ii. Pipe material
 - iii. Pipe Age
 - b. Cleanouts, Manholes, Drop Inlets, Access Vaults, Metering Stations, Lift Stations (Node Shapefile for Each Component Type):
 - i. Cleanouts
 1. Location
 - ii. Manholes
 1. Location
 2. Size
 3. Material
 4. Inverts
 - iii. Drop Inlets
 1. Location
 2. Size
 3. Material
 4. Inverts
 - iv. Access Vaults
 1. Location
 - v. Metering Stations
 1. Location
 - vi. Lift Stations
 1. Location
 - c. ***Physical system maps may be used in lieu of GIS data; however, accuracy of the system analysis may be affected.***
2. Existing Lift Station Data
 - a. Lift station as-builts
 - b. Metering records
3. Locations of separated storm and sanitary sewer
4. Locations of combined system
5. Combined system outfall(s)
6. Estimated or recorded outfall flowrates
7. Information on any additional facility that controls flow
8. Future growth plans or developments that require expansion of the collection system
9. Previous capital improvement or facility plans



Required Fiscal Data:

1. Annual water system and sanitary system enterprise fund budgets for previous 3 years.
2. Annual water system and sanitary system enterprise fund profit and loss statements for previous 3 years that include all revenue and expenses incurred by the fund
3. Existing system debt statements
4. Current active water and sanitary system contracts with external entities
5. Current water and sanitary rate schedule
6. Current electrical rates
7. List of short-term assets (i.e. vehicles, equipment, computers, printers, replacement parts for the system)

Attachment 2 - Hourly Rate Schedule



ENGINEERING & SURVEYING SERVICES
STURGIS, SOUTH DAKOTA
2026 HOURLY RATE SHEET

| | |
|-----------------------|----------|
| SENIOR PRINCIPAL | \$230.00 |
| SENIOR ENGINEER I | \$225.00 |
| SENIOR ENGINEER II | \$220.00 |
| ENGINEER I | \$205.00 |
| ENGINEER II | \$185.00 |
| ENGINEER III | \$165.00 |
| ENGINEER IV | \$145.00 |
| SENIOR ENGR. TECH. I | \$195.00 |
| SENIOR ENGR. TECH. II | \$180.00 |
| ENGINEER TECH. I | \$160.00 |
| ENGINEER TECH. II | \$150.00 |
| ENGINEER TECH. III | \$125.00 |
| ENGINEER TECH IV | \$105.00 |

The above rates include all labor, mileage, per diem and normal supplies. For field work, chargeable time is applied from the time we leave our office location until we return. The rates are subject to review on an annual basis.