

Grant County Sanitary Sewer Rate Increase Response (Case No.2022-00377)  
Intervenor City of Crittenden's Request for an Alternative Rate Adjustment- 2nd Request

**Question #** 17

**Witness** Amy Ruark

**Answer** We have attached the most recent contract we have with HMB with a copy of their current billing rates.

We already submitted communication with HMB in questions #17,18 and #19 in the City's first round of questions.

PROFESSIONAL ENGINEERING SERVICES AGREEMENT

4/22/14

This Professional Engineering Services Agreement ("Agreement") is made and entered into effective this 21<sup>st</sup> day of August, 2014, by and between the BULLOCK PEN WATER DISTRICT ("District"), 1 Farrell Drive, Crittenden, KY, 41030, by and through it's Chairman, Bobby Burgess and HMB PROFESSIONAL ENGINEERS, INC., 3 HMB Circle, US 460, Frankfort, KY 40601 ("Engineer"),

WITNESSETH:

WHEREAS, the District is a Water District organized pursuant to the provisions of KRS 74.010 et.seq., and so authorized to enter into this Agreement and,

WHEREAS, the District desires to engage Engineer for the purpose of providing professional engineering, consultations and related services necessary for the District in its day-to-day operations.

NOW, THEREFORE, in consideration of the foregoing premises and mutual promises and undertakings hereinafter specified, the District and Engineer agree as follows:

**1. SCOPE OF SERVICES**

The District hereby engages Engineer for the purpose of providing general engineering and consulting services reasonably necessary for the District in it's day-to-day operations ("Services"). Those Services to be rendered by Engineer for the benefit of the District shall include but not be limited to:

- (a) Providing engineering advice and consultation relating to the District's water treatment plant, transmission and distribution lines, pump stations, water towers and the like, as the District may reasonably deem appropriate and necessary from day-to-day.
- (b) Attendance at the District's monthly meeting.
- (c) Provide a monthly Engineer's Report outlining and summarizing the scope of Services rendered by Engineer during the preceding month and to generally advise the District as to the status of the District's facilities.
- (d) Attendance at all other meetings which the District deems appropriate and necessary.
- (e) Consultation with the District in the preparation and evaluation of waterline extension projects, plant improvements and the like which the District may from time-to-time deem appropriate.

- (f) Assist the District in the preparation of applications and proposals for improvement projects which the District may from time-to-time deem appropriate.
- (g) Addressing engineering related issues before the Kentucky Public Service Commission, Kentucky Energy and Environment Cabinet, Department for Environmental Protection, Division of Water; and any and all other state or federal agencies.
- (h) Any and all other Services which the District may deem reasonable necessary from time-to-time in its sole judgment and discretion.

## 2. NON-EXCLUSIVE AGREEMENT

It is understood and acknowledged by Engineer that the District reserves the right to engage any and all other professional engineering providers at any time during this Agreement for professional engineering and consultation services as the District may from time-to-time deem appropriate in its sole judgment and discretion. It is further acknowledged by Engineer that the District may from time-to-time undertake various expansion or improvement projects which require the District to engage engineering services on an "open bid" process. Engineer understands that while it may participate in that open-bid process, District shall have no obligation to engage Engineer for such Services.

## 3. COMPENSATION

The District shall compensate Engineer per the following schedule:

- (a) See attached Scheduled "A", Hourly Billing Rates.
- (b) Engineer shall not undertake any Services without the express authority of the District. For purposes of this Agreement, Engineer shall contact the District Superintendent, Mr. William Catlett for authority to undertake any engineering or consultation services (not otherwise expressly authorized and approved by the District) should there be any doubt or question as to whether or not such Services and/or consultation is authorized.
- (c) Engineer shall document by contemporaneous record entry all time expended by Engineer in providing Services for the District. Such timekeeping shall be recorded in no less than thirty (30) minute increments (i.e. 1/2 hour). All time entries submitted by Engineer for payment shall contain a brief description of Services rendered. Engineer shall not bill for any services rendered that take less than thirty (30) minutes. All billing entries shall be recorded down to the nearest one-half (1/2) hour increment. For example, if

Engineer provides services taking 45 minutes, Engineer's billing entry and corresponding statement shall reflect a billing charge for thirty (30) minutes.

- (d) Engineer shall submit a monthly invoice to the District requesting payment for Services rendered. Invoices shall be received no later than the 15<sup>th</sup> day of the month following the month for which compensation is being requested. All requests from compensation shall be approved by the District Board.
- (e) It is acknowledged by the District and Engineer that Services may be required of Engineer on a special project basis. In those instances, Engineer's compensation may be paid under separate agreement with the Engineer. Monthly billing procedures provided for herein need not be followed by Engineer on such special projects unless otherwise agreed upon.

#### **4. TERMINATION**

This Agreement may be terminated by either party upon 30 days written notice to the other for any reason, with or without cause.

#### **5. EXPENSES**

Engineer agrees that miscellaneous expenses including mileage, in-house printing and photocopying, and postage are included in Engineer's standard hourly billing rate as contained in Exhibit "A". Any and all other expenses incurred by Engineer in the providing of Services pursuant to this Agreement shall be pre-approved by the District and/or its Superintendent. To the extent it is reasonably feasible, any and all requests of Engineer for reimburseable expenses shall be submitted to the District's Superintendent in writing prior to incurring such expense. Engineer acknowledges that any and all such expenses not pre-approved by the District may be denied for reimbursement in the sole judgment and discretion of the District. The District agrees that any approval of reasonably incurred expenses by the Engineer will not be unreasonably withheld.

#### **6. LIMITATION OF AUTHORITY**

This Agreement shall not be deemed or construed to grant Engineer any authority to bind or otherwise legally obligate the District to any third party for any reason whatsoever without the prior express written authority, approval and consent of the District's Board. At no time during the term of this Agreement shall Engineer warrant or represent to any third party any authority to bind the District.

**7. ENTIRE AGREEMENT**

This Agreement shall constitute the entire Agreement between the parties and any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding upon either party except to the extent it is incorporated herein.

**8. ENGINEER'S WARRANTY**

Engineer represents and warrants that it is a duly authorized and existing entity licensed under the laws of the Commonwealth of Kentucky. Engineer also represents and warrants that at all times any Services are rendered pursuant to the terms of this Agreement, Engineer shall remain duly licensed and authorized to conduct business in the Commonwealth of Kentucky. Engineer shall at all times during the term of this Agreement remain duly licensed and in good standing with the Commonwealth of Kentucky, Board of Engineers. Any and all Services rendered by Engineer pursuant to this Agreement shall be conducted in accordance with all laws, rules, regulations of the Commonwealth of Kentucky, and pursuant to those standards of conduct and professionalism within the engineering community.

**9. INSURANCE**

At all times during the term of this Agreement, Engineer shall maintain in full force and effect a comprehensive professional liability and commercial public liability policy in an amount not less than One Million Dollars (\$1,000,000.00). Engineer shall, upon execution of this Agreement provide the District with a copy of Engineer's insurance binder and declaration page evidencing such insurance coverage. Engineer agrees that it will immediately notify the District of any change, modification or alteration of such insurance coverage. Any and all insurance coverage by the Engineer shall be subject to the approval of the District in all respects, such approval not to be unreasonably withheld.

**10. MODIFICATION OF AGREEMENT**

This Agreement shall not be modified, altered or amended unless it be done in writing and signed by all parties.

**11. GOVERNING LAW**

This Agreement shall be interpreted and construed consistent with the laws of the Commonwealth of Kentucky.

**12. NOTICE**

Any notice or billing required hereunder shall be in writing and deemed sufficiently given when sent by regular mail, postage pre-paid, to the following address:

District: Bullock Pen Water District  
Attention: Superintendent William Catlett  
1 Farrell Drive  
Crittenden, KY 41030  
Email: [billybullockpen@fuse.net](mailto:billybullockpen@fuse.net)

Engineer: HMB Professional Engineers, Inc.  
Attention: Mr. Kerry Odle  
3 HMB Circle, US 460  
Frankfort, KY 40601  
Email: [kodle@kmbpe.com](mailto:kodle@kmbpe.com)

### 13. INDEMNIFICATION

Engineer hereby agrees to indemnify and hold harmless the District from any claim, cause of action, or demand asserted against the District arising by, from or through Engineer's performance of any Services pursuant to the terms of this Agreement. In the event any such claim, cause or action or demand is asserted against the District arising by, from or through Engineer's providing of Services hereunder, Engineer agrees to reimburse and hold harmless the District for any and all costs or expenses incurred by the District in the defense of any such claim, cause of action or demand, including but not limited to reasonable attorney's fees and reasonable costs.

### 14. BINDING AUTHORITY



Each of the parties to this Agreement represent and warrant that they have executed same pursuant to duly authorized and adopted action of their respective governing bodies.

IN WITNESS WHEREOF, the parties hereunder set their hand on the date and year first above written.

BULLOCK PEN WATER DISTRICT:

BY:   
BOBBY BURGESS, CHAIRMAN

HMB PROFESSIONAL ENGINEERS, INC.

BY:   
KERRY ODLE, AUTHORIZED AGENT  






3 HMB Circle  
U.S. 460  
Frankfort, KY 40601  
Office: (502) 695-9800  
Fax: (502) 695-9810

February 19, 2019

Ms. Amy Ruark  
Bullock Pen Water District  
1 Farrell Drive  
P.O. Box 188  
Crittenden, KY 41030

RE: **Updated Hourly Rates**  
HMB Project No. 4222.00 Continuing Services Agreement

Dear Ms. Ruark,

HMB appreciates the past business relationship we have had with you and your organization and hope to continue that relationship into the future. As you are aware, we currently have a Professional Service Agreement with your organization and that agreement has provisions for providing our services on an hourly rate basis. The agreement also calls for HMB to make annual adjustments to our hourly rates.

If your current contract with HMB is a Continuing Services Agreement (an on-call arrangement), then the fees for future services will be computed using the new rates listed below.

If your current contract with HMB is a lump sum agreement, or an agreement based on the percentage of construction costs, then the new rates listed below will apply *only if additional services are needed beyond the current scope of work and additional compensation is not negotiated.*

Beginning February 17, 2019, HMBs new hourly rates will be:

Highway Engineering	PRINCIPAL-IN-CHARGE	\$220.00
	SENIOR PLANNING AND TRAFFIC ENGINEER	\$220.00
Structural Engineering	SENIOR DESIGN ENGINEER	\$195.00
	DESIGN ENGINEER	\$150.00
Water & Wastewater	ENGINEER IN TRAINING	\$90.00
	SENIOR ENVIRONMENTAL SCIENTIST	\$175.00
Site Development	ENVIRONMENTAL SCIENTIST	\$115.00
	SENIOR RIGHT OF WAY AGENT	\$190.00
Master Planning	ACQUISITION SPECIALIST	\$ 90.00
	FUNDING SPECIALIST	\$175.00
Environmental Planning	CAD TECHNICIAN	\$100.00
	FIELD PERSONNEL	\$105.00
Surveying	REGISTERED LAND SURVEYOR	\$150.00
	ADMINISTRATIVE	\$100.00

Project Management Expenses will be invoiced at cost plus 15%.

Cost Estimation

Please review these rates and let me know if you have any questions or comments. Again, I want to thank you for allowing HMB to provide our services to you.

Construction Inspection

Aviation Services

Very truly yours,  
*HMB Professional Engineers, Inc.*

Environmental Remediation

Kerry Odle, PE  
Water Resource Division Manager

Landscape Architecture