

December 7, 2010

Mr. Trey Fletcher
Managing Director of Operations
City of Pflugerville
PO Box 589
Pflugerville, TX 78691

Re: City of Pflugerville
Texas Water Development Board (TWDB) - Clean Water State Revolving Fund, Loan
Application Preparation
Project No.: 20101206

Dear Mr. Fletcher:

Per your request, we have prepared this letter-proposal outlining the scope of services that we envision for preparing one loan application for TWDB Clean Water State Revolving Fund using TWDB's recently updated application form. This application will be for a portion of the overall project originally proposed under TWDB Project #8763 titled Wilbarger Interceptor & Reuse System. The reuse system components will not be included in the application. Thus, the associated TWDB Green Sheets are not required to be submitted.

Other professional services are anticipated to be required to complete the loan application which may include Bond Counsel, Legal Counsel, Financial Advisor, and Environmental reports. The professional fees for these services have been explicitly excluded from our scope of work. However, our scope of work does include coordination with these service providers to complete the loan application.

Our proposed scope of services is outlined below:

Scope of Work

A. TWDB Clean Water State Revolving Fund Loan Application – Engineering Services:

1. If Texas Water Development Board (TWDB) funding is utilized on this project, the below scope of work includes additional engineering reports and effort required by TWDB to comply with receiving those funds for the wastewater interceptor.
2. The below effort does not include those efforts required for TWDB Drinking Water State Revolving Fund (i.e. waterline construction).
3. The below effort does not include production of financial or environmental portions of the application and process. These shall be provided by others under separate City contracts.
4. Our scope of work includes the following and as additionally enumerated in the TWDB program guidance manual for preparing the loan application:

- a) Manage and administer the TWDB funding process through the first phase for the overall project being implemented (i.e. loan application). Managing and administering future TWDB phases are explicitly excluded from out scope of work at this time which include planning, design, bidding, construction, and project close-out.
- b) Attend pre-application meeting with City Staff at TWDB's offices in Austin
- c) Attend two meetings with City Staff to review content of application
- d) Prepare and Submit an Engineering Feasibility Report including an engineer's opinion of most probable construction cost.
- e) Preparation and Submittal of Application including 7 hardcopies and one electronic copy of all loan application documents to TWDB.
- f) Prepare and Submit 5 hardcopies and one electronic copy to the City
- g) Address TWDB review comments on loan application up to approval of loan by TWDB' Board.
- h) Attend TWDB Board meeting for loan approval.
- i) Fill out and submit three SFY 2012 Clean Water State Revolving Fund Intended Use Plan Solicitation Packets for the same projects submitted in SFY 2011.

B. Additional Engineering Considerations after loan application approval:

Should the City of Pflugerville's loan application be approved to use TWDB SRF monies for the proposed wastewater interceptor, preparation of additional engineering documents, effort, and administration of the TWDB funding process will be required beyond the scope and fees outlined in this proposal.

C. Compensation

Our proposed fees for the above detailed scope of work are provided on a time and materials basis. Our standard hourly rate schedule is attached. The below fees shall not be exceeded without prior written authorization from the City of Pflugerville. The above referenced services will be performed within the duration shown per task in the below table. DCS Engineering, LLC's liability to the Client for any cause or combination of causes is in the aggregate limited to an amount no greater than the fee earned under this agreement.

Fee Schedule

Task	Description	Lump Sum
	Loan Application	\$25,000
	Total Time and Material Fee	\$25,000

D. Schedule

The above referenced services will be performed over the next nine months with the majority of the effort occurring in the first 2 months in order to meet the February 7, 2011 TWDB deadline for the loan application submittal.

Mr. Trey Fletcher
December 7, 2010
Page 3

If this proposal is acceptable, please sign in the space provided below and return one copy for our files. Your acceptance of the agreement will be our authorization to begin work.

Again, we appreciate the opportunity to provide the City of Pflugerville with this proposal and we look forward to continuing to assist the City with its engineering needs in the future. If you have any questions about this proposal, please call me at (512) 750-0129.

Sincerely,



Darren C Strozewski, P. E.
President


Cc: Project File

DCS Engineering, LLC

City of Pflugerville

By: Darren C Strozewski, P.E.

By: _____

Signature: 

Signature: _____

Date: 12/7/10

Date: _____

Standard Hourly Rates Schedule

Standard Hourly Rates are subject to annual review and adjustment.

Principal		<u>\$210</u> /hour
Billing Class 11	Senior Project Manager	<u>\$165</u> /hour
Billing Class 10	Project Manager	<u>\$135</u> /hour
Billing Class 9	Professional VI	<u>\$110</u> /hour
Billing Class 8	Professional V	<u>\$100</u> /hour
Billing Class 7	Professional IV	<u>\$80</u> /hour
Billing Class 6	Professional III	<u>\$65</u> /hour
Billing Class 5	Professional II	<u>\$60</u> /hour
Billing Class 4	Technician IV	<u>\$80</u> /hour
Billing Class 3	Technician III	<u>\$65</u> /hour
Billing Class 2	Technician II	<u>\$50</u> /hour
Billing Class 1	Technician I	<u>\$35</u> /hour
Support Staff		<u>\$30</u> /hour