

October 3, 2012

RE: City of Hastings, Minnesota Former Hudson Manufacturing Building Demolition SEH No. HASTI 121302

Mr. John Hinzman Community Development Director City of Hastings 101 4th Street East Hastings, MN 55033

Dear Mr. Hinzman:

The City of Hastings Economic Development and Redevelopment Authority (HEDRA) has retained SEH to provide bidding documents and construction administration services for the partial demolition of the former Hudson Manufacturing Building, the scope of which is detailed in an agreement dated June 7, 2012. At the time the original agreement was executed, the contractor was not yet selected and the construction schedule was unknown. Since that time, a contract has been awarded to Rachel Contracting, who has since furnished their anticipated construction schedule.

The construction fee estimate provided by SEH in the original agreement was \$7,700, which was based on minimal part time inspection over an estimated, six to eight week duration with a fall 2012 project completion. The schedule furnished by Rachel Contracting estimates 11 weeks onsite and project completion in spring 2013. SEH was asked by City staff to provide revised construction administration fees that reflect the following: providing additional inspection hours during critical tasks, extending inspection hours to match the duration of Rachel's construction schedule, and providing record plans at the completion of the project.

Based on the above data, SEH has estimated construction administration fees to range between \$15,000 and \$25,000. SEH is requesting authorization for additional anticipated construction administration fees up to a maximum amount of \$25,000, without prior authorization. This fee range does not include testing services, which SEH anticipates would be invoiced separately through HEDRA.

Please feel free to contact me regarding any questions you may have regarding this contract amendment.

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We look forward to continuing to work with HEDRA and the City throughout the construction of this project. Thank you again for the opportunity to work with the City of Hastings.

Respectively submitted,

SHORT ELLIOTT HENDRICKSON, INC.

Scott D. Haupt Scott D. Haupt, PE Project Manager

c: Sue Mason, SEH

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