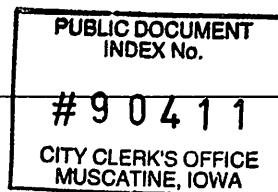


Donelson, Fran



From: Hill, Randy
Sent: Monday, March 31, 2008 4:04 PM
To: Johnson, AJ
Cc: Donelson, Fran; Mann, Connie; Chandler, Matt; Barb and Denny
Subject: 2008 Project Manager Agreement - Mad Creek Area Sanitary & Storm Sewer Separation Project

AJ ---

I have received a proposal from Dennis Kistenmacher to provide Project Management services and/or other various associated technical tasks as needed for the Mad Creek Area Sanitary & Storm Sewer Separation Project. The work will be performed by Mr. Kistenmacher who has worked with the city on various sewer and street projects for the past three years. His fee is \$38.00 per hour and \$.40 cent p/mile. A recent verbal quote from an engineering firm to provide this same service ranged from \$70 - \$100 p/hour. The city does not have available staff to be able to do the inspections and management in-house. It is our recommendation to enter into an agreement with Dennis Kistenmacher for the Project Management of the Mad Creek Area Sanitary & Storm Sewer Separation Project. If you have any questions, please contact me.

*Dennis Kistenmacher
Project Manager
Selected City Projects
563/260-4838*

February 25, 2008

Mr. Randy Hill, Director
Muscatine Public Works
1459 Washington Street
Muscatine, IA 52761

Dear Randy:

Subject: Project Manager Position
Mad Creek Area Sanitary and
Storm Sewer Separation Project

Due to an increase in expenses because of rising fuel costs, projected (significant) additional increases in fuel costs, and increases in other costs, I hereby request an increase in my hourly fee. My proposal to you is for \$38.00 per hour (an increase of \$3.00 per hour), and I will absorb all of my other expenses (equipment, mileage, supplies, etc.). In other words, my billings will reflect only hours spent on the project, and will not show any other items.

I have been "on board" with the City for almost three years, and this increase would represent only about 2.8 % increase per year. If approved, I will remain under the old agreement, and not charge this rate, until actual start of construction.

Please let me know if this is an acceptable arrangement.

Sincerely,


Dennis Kistenmacher
Project Manager