



BOARD OF TRUSTEES
Special Meeting Agenda
205 East State Street
September 23, 2025 12:00 Noon

1. Roll Call
2. Approval of Agenda
3. **Decision:** Review and approval of Engagement Letter with PFM Financial Advisors LLC for financial planning and debt issue development services for Marshalltown Water Works RO Membrane Treatment Process Train
4. **Decision:** Review and approval of Amendment No. 2 for Construction Phase Services with HDR for Marshalltown Water Works RO Membrane Treatment Process Train
5. **Decision:** Review and authorize Notice to Proceed for Marshalltown Water Works RO Membrane Treatment Process Train



August 18, 2025

Mr. Zach Maxfield
General Manager
Marshalltown Water Works
205 E. State Street
Marshalltown, IA 50158

Dear Mr. Maxfield,

pfm

801 Grand
Suite 3300
Des Moines, IA 50309
515.243.2600

pfm.com

The purpose of this letter (this “Engagement Letter”) is to confirm our agreement that PFM Financial Advisors LLC (“PFM”) will act as financial advisor to Marshalltown Water Works (the “Client”) in connection with financial planning and debt issue development services. PFM will provide, upon request of the Client, services related to financial planning, budget and strategic advice and planning, policy development and services related to debt issuance, as applicable and set forth in Exhibit A to this Engagement Letter. Most tasks requested by Client will not require all services provided for in Exhibit A and as such the specific scope of services for such task shall be limited to just those services required to complete the task.

PFM is a registered municipal advisor with the Securities and Exchange Commission (the “SEC”) and the Municipal Securities Rulemaking Board (the “MSRB”), pursuant to the Securities Exchange Act of 1934 Rule 15Ba1-2. As of the date of this letter, Client has **not** designated PFM as its independent registered municipal advisor (“IRMA”) for purposes of SEC Rule 15Ba1-1(d)(3)(vi) (the “IRMA exemption.”). Client agrees not to represent that PFM is Client’s IRMA with respect to any aspect of a municipal securities issuance or municipal financial product, without PFM’s prior written consent.

MSRB Rules require that municipal advisors make written disclosures to their clients of all material conflicts of interest, certain legal or disciplinary events and certain regulatory requirements. Such disclosures are provided in PFM’s Disclosure Statement delivered to Client prior to or together with this Engagement Letter.

PFM’s services will commence as soon as practicable after the receipt of this Engagement Letter by Client and a request by Client for such service. Any material changes in or additions to the scope of services described in Exhibit A shall be promptly reflected in a written supplement or amendment to this Engagement Letter. Services provided by PFM which are not included in the scope of services set forth in Exhibit A of this Engagement Letter shall be completed as agreed in writing in advance between the Client and PFM. Upon request of Client, an affiliate of PFM or a third party referred or otherwise introduced by PFM may agree to additional services to be provided by such affiliate or third party, by a separate writing, including separate scope and compensation, between Client and such affiliate or third party.

For the services described in Exhibit A, PFM’s professional fees will be paid as provided in Exhibit B. All fees shall be due to PFM within thirty (30) days of the date of invoice. In addition to fees for services, PFM will be reimbursed for necessary, reasonable, and documented out-of-pocket expenses incurred, including travel, meals, lodging, telephone, mail, and other ordinary cost and any cost for graphics, printing, data processing and computer time which are incurred by PFM. Upon request of Client, documentation of such expenses will be provided.



This Engagement Letter shall remain in effect until all related activities associated with this transaction are complete unless canceled in writing by either party upon thirty (30) days written notice to the other party. Upon any such termination, PFM will be paid for all services performed and costs and expenses incurred up to the termination date.

PFM shall not assign any interest in this Engagement Letter or subcontract any of the work performed under this Engagement Letter without the prior written consent of Client; provided that PFM retains the right to enter into a sale, merger, internal reorganization, or similar transaction involving PFM's business without any such consent.

All information, data, reports, and records ("Data") in the possession of Client or any third party necessary for carrying out any services to be performed under this Engagement Letter shall be furnished to PFM. PFM may rely on the Data in connection with its provision of the services under this Engagement Letter and the provider thereof shall remain solely responsible for the adequacy, accuracy and completeness of such Data.

All notices and other communication required under this Engagement Letter will be in writing, sent by certified mail, return receipt requested, or by nationally recognized courier, with written verification of receipt. Notices shall be addressed to the party for whom it is intended, at the addresses on the first page of this Engagement Letter.

All materials, except functioning or dynamic financial models, prepared by PFM pursuant exclusively to this Engagement Letter will be the property of Client. Subject to the preceding exception, upon termination of this Engagement Letter, PFM will deliver to Client copies of any and all material pertaining to this Engagement Letter.

The Des Moines office of PFM will provide the services set forth in this Engagement Letter. PFM may, from time to time, supplement or otherwise amend team members. The Client has the right to request, for any reason, PFM to replace any member of the advisory staff. Should Client make such a request, PFM will promptly suggest a substitute for approval by Client.

PFM will maintain insurance coverage with policy limits not less than as stated in Exhibit C. Except to the extent caused by willful misconduct, bad faith, gross negligence or reckless disregard of obligations or duties under this Engagement Letter, PFM shall have no liability to any party under this Engagement Letter.

PFM, its employees, officers and representatives at all times will be independent contractors and will not be deemed to be employees, agents, partners, servants and/or joint ventures of Client by virtue of this Engagement Letter or any actions or services rendered under this Engagement Letter. Nothing in this Engagement Letter is intended or shall be construed to give any person, other than the parties hereto, their successors and permitted assigns, any legal or equitable rights, remedy or claim under or in respect of this Engagement Letter or any provisions contained herein. In no event will PFM be liable for any act or omission of any third party or for any circumstances beyond PFM's reasonable control including, but not limited to, fire, flood, or other natural disaster, war, riot, strike, act of terrorism, act of civil or military authority, software and/or equipment failure, computer virus, or failure or interruption of electrical, telecommunications or other utility services.



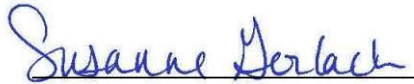
This Engagement Letter shall be construed, enforced, and administered according to the laws of the State of Iowa. PFM and the Client agree that, should a disagreement arise as to the terms or enforcement of any provision of this Engagement Letter, each party will in good faith attempt to resolve said disagreement prior to pursuing other action.

This Engagement Letter represents the entire agreement between Client and PFM and may not be amended or modified except in writing signed by both parties. For the sake of clarity, any separate agreement between Client and an affiliate of PFM or a third party referred or introduced by PFM shall not in any way be deemed an amendment or modification of this Engagement Letter. The invalidity in whole or in part of any provision of this Engagement Letter shall not void or affect the validity of any other provision.

Please have an authorized official of Client acknowledge receipt of this Engagement Letter and respond to us to acknowledge the terms of this engagement.

Sincerely,

PFM FINANCIAL ADVISORS LLC


Susanne Gerlach
Managing Director

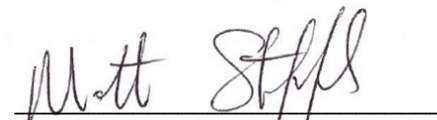

Matthew Stoffel
Director



EXHIBIT A **SCOPE OF SERVICES**

Financial planning and debt issue development services (Includes short term financings, bonds, loans, letters of credit and line of credit). Upon the request of Client:

- Analyze financial and economic factors to determine if the issuance of bonds is appropriate.
- Develop a financing plan in concert with Client's staff which would include recommendations as to the timing and number of series of bonds to be issued.
- Assist Client by recommending the best method of sale, either as a negotiated sale, private placement or a public sale. In a public sale, make recommendation as to the determination of the best bid. In the event of a negotiated sale, assist in the solicitation, review and evaluation of any investment banking proposals, and provide advice and information necessary to aid in such selection.
- Advise as to the various financing alternatives available to Client.
- Develop alternatives related to debt transaction including evaluation of revenues available, maturity schedule and cashflow requirements, if necessary.
- If appropriate, develop credit rating presentation and coordinate with Client the overall presentation to rating agencies.
- Assist Client in the procurement of other services relating to debt issuance such as printing, paying agent and registrar, etc.
- Identify key bond covenant features and advise as to the financial consequences of provisions to be included in bond resolutions regarding security, creation of reserve funds, flow of funds, redemption provisions, additional parity debt tests, etc.; review and comment on successive drafts of bond resolutions.
- If required, PFM will complete a parity certificate if required by the authorizing resolutions of outstanding parity debt.
- Review the terms, conditions and structure of any proposed debt offering undertaken by Client and provide suggestions, modifications and enhancements where appropriate and necessary to reflect the constraints or current financial policy and fiscal capability.
- Coordinate with Client's staff and other advisors with respect to the furnishing of data for offering documents. PFM will assist Client in the preparation of the offering document, it being specifically understood that PFM is not responsible for the inclusion or omission of any material in published offering documents and that the ultimate responsibility remains with Client.
- Provide regular updates of bond market conditions and advise Client as to the most advantageous timing for issuing its debt.
- Advise Client on the condition of the bond market at the time of sale, including volume, timing considerations, competing offerings, and general economic considerations.
- Assist and advise Client in negotiations with investment banking groups regarding fees, pricing of the bonds and final terms of any security offering, and make definitive recommendations regarding a proposed offering to obtain the most favorable financial terms based on existing market conditions.
- Arrange for the closing of the transaction.
- Preparation and delivery of bond financing record to Client.



EXHIBIT B
COMPENSATION FOR SERVICES

1. Fixed Rate Transaction Fees

For financial planning and debt issue development services related to the issuance of debt, PFM will be paid a one-time fee based on the type of debt issue and the par amount of each bond series, as listed in the table below. Transaction fees are payable upon closing.

Amount of Issue ¹⁾	Proposed Not to Exceed Municipal Advisor Fee ²⁾
Revenue Debt Fees	
Under \$1,000,000	Greater of \$6,500 or 1% of Issue Price
\$1,000,000 to \$4,999,999	\$19,350
\$5,000,000 to \$9,999,999	\$22,550
\$10,000,000 to \$14,999,999	\$25,750
\$15,000,000 to \$19,999,999	\$29,000
\$20,000,000 to \$29,999,999	\$35,400
\$30,000,000 to \$39,999,999	\$45,100
Over \$40,000,000	\$54,750 plus \$0.78 per \$1,000 over \$40M

1) Amount of issue based on final issue price (i.e. gross production).

2) Fee schedule valid through June 30, 2026 with 3% annual inflation adjustments effective July 1, 2026.

In the event the engagement is terminated, and PFM has performed significant work outlined in the scope of services, fees for work performed will be billed at the time of termination. Fees will be generally based upon the following hourly rates for the indicated levels of experience or their equivalents.

Experience Level

Hourly Rate

Managing Director	\$350.00
Director	\$300.00
Senior Managing Consultant	\$250.00
Senior Analyst	\$200.00
Analyst	\$175.00
Municipal Bond Assistant	\$125.00

2. Reimbursable Expenses

In addition to fees for services, PFM will be reimbursed for necessary, reasonable, and documented out-of-pocket expenses incurred, including travel, meals, lodging, printing, telephone, postage, data processing fees, internet posting and other ordinary costs which are incurred by PFM.



EXHIBIT C

INSURANCE STATEMENT

PFM has a complete insurance program, including property, casualty, general liability, automobile liability and workers compensation. PFM maintains professional liability and fidelity bond coverages which total \$5 million and \$5 million single loss/ \$10 million aggregate, respectively. PFM also carries a \$5 million cyber liability policy.

Our Professional Liability policy is a "claims made" policy and our General Liability policy claims would be made by occurrence.

1. Deductibles/SIR:

Automobile \$100 comprehensive & \$1,000 collision
Cyber Liability \$100,000
General Liability \$0
Professional Liability (E&O) \$200,000
Financial Institution Bond \$50,000

2. Insurance Company & AM Best Rating

Professional Liability (E&O)	Lloyds of London; (A; Stable)
	AXIS Surplus Insurance Company; (A; Stable)
Financial Institution Bond	Berkley Regional Insurance Company; (A+; Stable)
Cyber Liability	Greenwich Insurance Company (A+; Stable)
General Liability	Valley Forge Insurance Company; (A; Stable)
Automobile Liability	Continental Insurance Company; (A; Stable)
Excess/Umbrella Liability	Continental Insurance Company; (A; Stable)
Workers Compensation & Employers Liability	Continental Insurance Company; (A; Stable)

**DISCLOSURE OF CONFLICTS OF INTEREST AND OTHER
IMPORTANT MUNICIPAL ADVISORY INFORMATION
PFM Financial Advisors LLC**

MARSHALLTOWN WATER WORKS

I. Introduction

PFM Financial Advisors LLC and PFM Swap Advisors LLC (hereinafter, referred to as “We,” “Us,” or “Our”) are registered municipal advisors with the Securities and Exchange Commission (the “SEC”) and the Municipal Securities Rulemaking Board (the “MSRB”), pursuant to the Securities Exchange Act of 1934 Rule 15Ba1-2. In accordance with MSRB rules, this disclosure statement is provided by Us to each client prior to the execution of its advisory agreement with written disclosures of all material conflicts of interests and legal or disciplinary events that are required to be disclosed with respect to providing financial advisory services pursuant to MSRB Rule G-42(b) and (c) (ii). We employ a number of resources to identify and subsequently manage actual or potential conflicts of interest in addition to disclosing actual and potential conflicts of interest provided herein. PFM does not provide legal, tax, or accounting advice.

How We Identify and Manage Conflicts of Interest

Code of Ethics. The Code requires that all employees conduct all aspects of Our business

with the highest standards of integrity, honesty and fair dealing. All employees are required to avoid even the appearance of misconduct or impropriety and avoid actual or apparent conflicts of interest between personal and professional relationships that would or could interfere with an employee’s independent exercise of judgment in performing the obligations and responsibilities owed to a municipal advisor and Our clients.

Policies and Procedures. We have adopted policies and procedures that include specific rules and standards for conduct. Some of these policies and procedures provide guidance and reporting requirements about matters that allows Us to monitor behavior that might give rise to a conflict of interest. These include policies concerning the making of gifts and charitable contributions, entertaining clients, and engaging in outside activities, all of which may involve relationships with clients and others that are important to Our analysis of potential conflicts of interest.

Supervisory Structure. We have both a compliance and supervisory structure in place that enables Us to identify and monitor employees’ activities, both on a transaction and Firm-wide basis, to ensure compliance with appropriate standards. Prior to undertaking any engagement with a new client or an additional engagement with an existing client, appropriate municipal advisory personnel will review the possible intersection of the client’s interests, the proposed engagement, Our engagement personnel, experience and existing obligations to other clients and related parties. This review, together with employing the resources described above, allows Us to evaluate any situations that may be an actual or potential conflict of interest.

Disclosures. We will disclose to clients those situations that We believe would create a material conflict of interest, such as: 1) any advice, service or product that any affiliate may provide to a client that is directly related to the municipal advisory work We perform for such client; 2) any payment made to obtain or retain a municipal advisory engagement with a client; 3) any fee-splitting arrangement with any provider of an investment or services to a client; 4) any conflict that may arise from the type of compensation arrangement We may have with a client; and 5) any other actual or potential situation that We are or become aware of that might constitute a material conflict of interest that could reasonably expect to impair Our ability to provide advice to or on behalf of clients consistent with regulatory requirements. If We identify such situations or circumstances, We will prepare meaningful disclosure that will describe the implications of the situation and how We intend to manage the situation. We will also disclose any legal or disciplinary events that are material to a client’s evaluation or the integrity of Our management or advisory personnel. We will provide this disclosure (or a means to access this information) in writing prior to starting Our proposed engagement, and will provide such additional information or clarification as the client may request. We will also advise Our clients in writing of any subsequent material conflict of interest that may arise, as well as the related implications, Our plan to manage that situation, and any additional information such client may require.

II. General Conflict of Interest Disclosures

Disclosure of Conflicts Concerning the Firm's Affiliates

Our affiliates offer a wide variety of financial services, and Our clients may be interested in pursuing services separately provided by an affiliate. The affiliate's business with the client could create an incentive for Us to recommend a course of action designed to increase the level of the client's business activities with the affiliate or to recommend against a course of action that would reduce the client's business activities with the affiliate. In either instance, We may be perceived as recommending services for a client that are not in the best interests of Our clients, but rather are in Our interests or the interests of Our affiliates. Accordingly, We mitigate any perceived conflict of interest that may arise in this situation by disclosing it to the client, and by requiring that there be a review of the municipal securities transaction or municipal financial product to ensure that it is suitable for the client in light of various factors, after reasonable inquiry, including the client's needs, objectives and financial circumstances. Further, We receive no compensation from Our affiliates with respect to a client introduction or referral. If a client chooses to work with an affiliate, We require that the client consult and enter into a separate agreement for services, so that the client can make an independent, informed, evaluation of the services offered.

Disclosure of Conflicts Related to the Firm's Compensation

From time to time, We may be compensated by a municipal advisory fee that is or will be set forth in an agreement with the client to be, or that has been, negotiated and entered into in connection with a municipal advisory service. Payment of such fee may be contingent on the closing of the transaction and the amount of the fee may be based, in whole or in part, on a percentage of the principal or par amount of municipal securities or municipal financial product or the complexity of the municipal securities transaction or municipal financial product. While this form of compensation is customary in the municipal securities market, it may be deemed to present a conflict of interest since We may appear to have an incentive to recommend to the client a transaction that is larger in size or more complex than is necessary. Further, We may also receive compensation in the form of a fixed fee arrangement. While this form of compensation is customary, it may also present a potential conflict of interest, if the transaction requires more work than contemplated and We are perceived as recommending a less time consuming alternative contrary to the client's best interest so as not to sustain a loss. Finally, We may contract with clients on an hourly fee basis. If We do not agree on a maximum amount of hours at the outset of the engagement, this arrangement may pose a conflict of interest as We would not have a financial incentive to recommend an alternative that would result in fewer hours. We manage and mitigate all of these types of conflicts by disclosing the fee structure to the client, and by requiring that there be a review of the municipal securities transaction or municipal financial product to ensure that it is suitable for the client in light of various factors, after reasonable inquiry, including the client's needs, objectives and financial circumstances.

Disclosure of Conflicts Related to the Firm's Compensation Structure for Our Registered Advisors. Pursuant to various employee compensation structures, from time to time We offer certain of Our registered municipal advisors ("Registered Advisors") financial benefits based on his or her business plan, client base, performance, and/or transactions closed. This provides an incentive for such Registered Advisors to seek to retain additional clients and/or transactions or services from clients. While this form of compensation may be customary in some segments of the municipal advisory market, provision of such financial benefits may be deemed to present a conflict of interest. We manage and mitigate these types of conflicts by Registered Advisor's adherence to Our Code of Ethics and Policies and Procedures, and by requiring that there be a review of the municipal securities transaction or municipal financial product to ensure that it is suitable for the client in light of various factors, after reasonable inquiry, including the client's needs, objectives and financial circumstances.

Disclosure Concerning Provision of Services to State and Local Government, and Non-Profit Clients

We regularly provide financial advisory services to state and local governments, their agencies, and instrumentalities, and non-profit clients. While Our clients have expressed that this experience in providing services to a wide variety of clients generally provides great benefit for all of Our clients, there may be or may have been clients with interests that are different from (and adverse to) other clients. If for some reason any client sees Our engagement with any other particular client as a conflict, We will mitigate this conflict by engaging in a broad range of conduct, if and as applicable. Such conduct may include one or any combination of the following: 1) disclosing the conflict to the client; 2) requiring that there be a review of the municipal securities transaction or municipal financial product to ensure that it is suitable for the client in light of various factors, including the client's needs, objectives and financial circumstances; 3) implementing procedures that establishes an "Informational Bubble" that creates physical, technological and procedural barriers and/or separations to ensure that non-public information is isolated to particular area such that certain governmental transaction team members and supporting functions operate separately during the course of work performed; and 4) in the rare event that a conflict cannot be resolved, We will withdraw from the engagement.

Disclosure Concerning Provision of Services by Our Registered Advisors Dually through the Firm and the Firm's Affiliates

Our affiliates offer a wide variety of financial services, and Our clients may be interested in pursuing services separately provided by an affiliate. From time to time, We may have registered municipal advisors ("Registered Advisors") that may provide services to a Municipal Entity client on behalf of, and under a separate written client agreement with, both Us and one or more of Our affiliates. In such cases, the individual will act solely on behalf of Us or the applicable Affiliate, respectively, that is a party to the specific agreement governing the respective services. For example, if a Municipal Entity client engages Us for municipal advisory services and separately engages an affiliate of Ours for consulting or other non-municipal advisory services, the same individual may serve under both engagements – as a Registered Advisor under the client agreement with Us and as an individual service provider under the client agreement with Our affiliate. Such circumstance could be perceived as a conflict of interest considering the individual's dual service role and involvement, as well as differing duties owed to the client. Accordingly, We mitigate any perceived conflict of interest that may arise in this situation by disclosing it to the client, and by requiring that there be a review of the municipal securities transaction or municipal financial product to ensure that it is suitable for the client in light of various factors, after reasonable inquiry, including the client's needs, objectives and financial circumstances. If a client chooses to obtain services of an affiliate, even if the affiliate's services are provided by a Registered Advisor, not in their municipal advisory representative capacity but as an individual service provider acting solely on behalf of the applicable affiliate, We require that the client consult and enter into a separate agreement for such services, so that the client can make an independent, informed, evaluation of the services offered.

Disclosure Related to Legal and Disciplinary Events

As registered municipal advisors with the Securities and Exchange Commission (the "SEC") and the Municipal Securities Rulemaking Board (the "MSRB"), pursuant to the Securities Exchange Act of 1934 Rule 15Ba1-2, Our legal, disciplinary and judicial events are required to be disclosed on Our forms MA and MA-I filed with the SEC, in 'Item 9 Disclosure Information' of form MA, 'Item 6 Disclosure Information' of form MA-I, and if applicable, the corresponding disclosure reporting page(s) ("DRP"). To review the foregoing disclosure items and material change(s) or amendment(s), if any, clients may electronically access PFM Financial Advisors LLC filed forms MA and MA-I on the SEC's Electronic Data Gathering, Analysis, and Retrieval system, listed by date of filing starting with the most recently filed, at:

PFM Financial Advisors LLC –

<http://www.sec.gov/cgi-bin/browse-edgar?company=PFM+Financial&owner=exclude&action=getcompany>

III. Specific Conflicts of Interest Disclosures – Marshalltown Water Works

To Our knowledge, following reasonable inquiry, We make the additional disclosure(s) of actual or potential conflicts of interest cited below in connection with the municipal advisory services currently being contemplated for client.

We currently serve as a municipal advisor to certain overlapping and surrounding entities including the State of Iowa. Additionally we have served as a consultant for Iowa Regional Utilities Association. We do not anticipate this to create a conflict of interest nor to impede Our ability to fulfill Our fiduciary duty to Marshalltown Water Works.

Conflicts Disclosure Related to Providing Services to Municipal Entity Clients and Obligated Persons on the Same Municipal Transaction

From time to time We may represent a Municipal Entity client and an Obligated Person on the same side of a transaction. This situation may present a potential conflict of interest if Our fiduciary duty to the Municipal Entity and duty of care owed to the Obligated Person represent competing interests. Accordingly, We mitigate this conflict of interest by disclosing it to clients, requiring separately negotiated agreements between Us and each client, and requiring that there be a review of the municipal securities transaction or municipal financial product to ensure that it is suitable for the client in light of various factors, after reasonable inquiry, including the client's needs, objectives and financial circumstances. We currently serve as municipal advisor to the Iowa Finance Authority who is the lender on all State Revolving Fund loans. We do not anticipate this to create a conflict of interest nor to impede Our ability to fulfill Our fiduciary duty to Marshalltown Water Works.

IV. Municipal Advisory Complaint and Client Education Disclosure

The MSRB protects state and local governments and other municipal entities and the public interest by promoting fair and efficient municipal securities markets. To that end, MSRB rules are designed to govern the professional conduct of brokers, dealers, municipal securities dealers and municipal advisors. Accordingly, if you as municipal advisory customer have a complaint about any of these financial professionals, please contact the MSRB's website at www.msrb.org, and consult the MSRB's Municipal Advisory Client brochure. The MSRB's Municipal Advisory Client brochure describes the protections available to municipal advisory clients under MSRB rules, and describes the process for filing a complaint with the appropriate regulatory authority.

PFM's Financial Advisory services are provided by PFM Financial Advisors LLC. PFM's Swap Advisory services are provided by PFM Swap Advisors LLC. Both entities are registered municipal advisors with the MSRB and SEC under the Dodd Frank Act of 2010.

AMENDMENT No. 2 TO AGREEMENT
FOR
ENGINEERING SERVICES

WHEREAS:

HDR ENGINEERING, INC. ("HDR") entered into an Agreement (Task Order 5) on August 18, 2022, to perform engineering services for Marshalltown Water Works ("Owner");

Marshalltown Water Works desires to amend this Agreement in order for HDR to perform services beyond those previously contemplated;

HDR is willing to amend the agreement and perform the additional bidding phase, construction phase, and RPR services as the overall project schedule has been extended and the acceptance of Bid Alternate No. 2 extends the previously estimated construction schedule from 24 to 30 months.

NOW, THEREFORE, HDR and Marshalltown Water Works do hereby agree:

The Agreement (Task Order 5) and the terms and conditions therein shall remain unchanged other than those sections and exhibits listed below;

PART 2.0 SCOPE OF SERVICES shall be modified by making the following changes to Exhibit A-1 and Exhibit A-5:

Exhibit A-1, Part 1, paragraph 1.04.B.26.(a), change/add the following tasks:

- (a) Task Series 400 – Construction Phase Services (33 months)
 - 1) Task 401 – Team Management and Project Control (33 months)
 - (a) Budget and invoice management.
 - (b) Schedule monitoring and update for project development.
 - (c) Resource management and allocation based on project schedules and activities
 - (d) Monthly progress report submitted to Owner with each invoice.

Exhibit A-1, Part 1, paragraph 1.04.B.26.4, "Key Understandings and Assumptions", shall be replaced with the following:

- 4) Key Understandings and Assumptions:
 - a. Construction administration services are scheduled to end on July 1, 2028, based on an assumed 33 months of construction from Contractor's notice to proceed to 3 weeks after Contractor's final completion date in Construction Contract (June 10, 2028).
 - b. Soils, concrete, and other performance testing and special inspections during construction will be performed by Consultant(s) to Owner, and not by Engineer to perform.
 - c. Construction staking that the Engineer is responsible for will be performed by a subconsultant to Engineer.

- d. Submittal budget is based on 300 submittal reviews.
- e. Review, logging, and responses to RFIs are budgeted as 7 hours/week for 30 months.
- f. Payment requests will be submitted monthly, budgeted as 7 hours/month for 30 months.
- g. Change order requests will be submitted no more frequently than monthly, budgeted as 16 hours/month for 30 months.
- h. One construction progress meeting per month will be held, budgeted as 7 hours/month for 30 months.
- i. Two other construction site visits per month by Engineer personnel will be provided, budgeted as 24 hours/month for 30 months.
- j. Startup services by Project Engineer are budgeted as 30 days or 240 hours.
- k. Construction pre-final review is budgeted as 16 hours each for Project Manager, Project Engineer, Project Architect, and engineers of Civil, Structural, Mechanical, Electrical, and Instrumentation/ Controls disciplines.
- l. Construction final review is budgeted as 12 hours each for Project Manager, Project Engineer, Project Architect, and engineers of Civil, Structural, Mechanical, Electrical, and Instrumentation/Controls disciplines.
- m. One (1) full-size and two (2) half size paper copies of record drawings and electronic CAD and PDF files will be furnished to Owner.

Exhibit A-5, Article 1 paragraph 1.01.A.3 shall be replaced with the following:

- 3. The total compensation for such services is estimated to be \$3,499,839.00 based on the following estimated distribution of compensation:

a. Final Design Phase	\$2,356,417.00
b. Bidding/Proposal Phase	\$170,407.00
c. Construction Administration Phase	\$973,015.00

 (See Article 2, Page 3 of this Exhibit A-5 for RPR services)

Exhibit A-5, Article 1 paragraph 1.01.A.4 shall be replaced with the following:

- 4. Construction Administration Phase and RPR Services will commence after the project has been bid and a construction contract awarded to a Contractor.

Exhibit A-5, Article 2 paragraph 2.01.A.2 shall be replaced with the following:

- 2. The total compensation under this paragraph is estimated to be \$1,381,424.00 based upon full-time RPR services on an eight-hour workday, Monday through Saturday, over a 910-day construction schedule for an HDR RPR located local to Marshalltown area.

PART 3.0 PERIODS OF SERVICE shall be modified by replacing Exhibit A-2 with the following:

Construction administration services are scheduled to end on July 1, 2028, based on an assumed 33 months of construction from Contractor's notice to proceed to 3 weeks after Contractor's final completion date in Construction Contract (June 10, 2028).

PART 4.0 ENGINEER'S FEE shall be replaced with the following:

Fee based on time and materials using the Schedule of Billing Rates in the Master Agreement between HDR and Marshalltown Water Works, with a not to exceed amount of \$4,881,263.00. This amount includes an increase in fee of \$693,034.00 more than the fee in Amendment 1 to Task Order 5. Refer to Exhibit C attachment for updated HDR Standard Rate Schedule as of January 1, 2025.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the day and year written below:

HDR ENGINEERING, INC. ("HDR")

Marshalltown Water Works ("Owner")

By: *Ann Williams*

By: _____

Printed Name: Ann Williams

Printed Name: Zach Maxfield

Title: Sr. Vice President / Area Manager

Title: General Manager

Date: 09/23/2025

Date: 09/23/2025

HDR STANDARD FEE SCHEDULE
Marshalltown Water Works Master Agreement

Schedule of Billing Rates by Classification

Schedule of Billing Rates by Classification – As of January 1, 2025	
Classification	Hourly Rate
Project Principal	\$300 - \$390
Project Manager	\$175 - \$235
Project Manager Sr.	\$235 - \$315
Process Engineer	\$100 - \$175
Process Engineer Sr.	\$175 - \$315
Civil Engineer	\$100 - \$170
Civil Engineer Sr.	\$170 - \$275
Geotechnical Engineer	\$100 - \$165
Geotechnical Engineer Sr.	\$165 - \$300
Architect	\$100 - \$175
Architect Sr.	\$175 - \$265
Structural Engineer	\$100 - \$175
Structural Engineer Sr.	\$175 - \$300
Mechanical Engineer	\$100 - \$175
Mechanical Engineer Sr.	\$175 - \$275
Electrical Engineer	\$100 - \$175
Electrical Engineer Sr.	\$175 - \$275
Instrumentation Engineer	\$100 - \$175
Instrumentation Engineer Sr.	\$175 - \$250
Environmental Engineer/Scientist	\$90 - \$150
Environmental Engineer/Scientist Sr.	\$150 - \$275
CADD/BIM Technician	\$100 - \$150
CADD/BIM Technician Sr.	\$150 - \$225
Construction Observer	\$100 - \$150
Construction Observer Sr.	\$150 - \$220
Public Outreach	\$80 - \$125
Public Outreach Sr.	\$125 - \$155
Administrative Assistant	\$70 - \$130
Project Accountant	\$100 - \$140

Reimbursable Expenses

- Auto mileage will be reimbursed on the basis of the current 2025 IRS rate.
- Meals, hotels, and other travel expenses; postage and copy costs will be invoiced as actual costs incurred.

Subconsultants

- Subconsultants will be reimbursed at invoice plus 10 percent markup.

Annual Adjustments

- The Billing Rates and Reimbursable Expenses are effective as of January 1, 2025, and will be adjusted annually on January 1 to reflect equitable changes in the compensation payable to Engineer.

NOTICE TO PROCEED

Owner: Marshalltown Water Works Owner's Project No.:
Engineer: HDR Engineering, Inc. Engineer's Project No.: 10352507
Contractor: Shank Constructors, Inc. Contractor's Project No.:
Project: 6 MGD RO Membrane Treatment Process Train
Contract Name: Marshalltown Water Works RO Membrane Treatment Process Train
Effective Date of Contract: September 15, 2025

Owner hereby notifies Contractor that the Contract Times under the above Contract will commence to run on October 15, 2025, pursuant to Paragraph 4.01 of the General Conditions.

On that date, Contractor shall start performing its obligations under the Contract Documents. No Work will be done at the Site prior to such date, except for the following:

Contractor site mobilization activities coordinated with Owner, including placement of temporary facilities and staging of construction equipment and materials.

In accordance with the Agreement:

The date by which Substantial Completion must be achieved is April 11, 2028, and the date by which readiness for final payment must be achieved is June 10, 2028.

Before starting any Work at the Site, Contractor must comply with the following:

No additional restrictions at this time.

Owner: Marshalltown Water Works
By *(signature)*: _____
Name *(printed)*: Zach Maxfield
Title: General Manager
Date Issued: September 23, 2025

Copy: Engineer