

RESOLUTION NO. 2021-

RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF ROCKLIN AWARDING THE CONTRACT FOR CONSTRUCTION
MANAGEMENT SERVICES FOR THE ROCKLIN ROAD AT PACIFIC STREET ROUNDABOUT
PROJECT AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH
MARK THOMAS & COMPANY, INC.

The City Council of the City of Rocklin does resolve as follows:

WHEREAS, the design phase is complete for the Rocklin Road at Pacific Street Roundabout Project and environmental approvals have been received; and

WHEREAS, staff is moving into the construction phase of the Project which will necessitate that a firm be brought on board for construction management; and

WHEREAS, the City issued a Request for Proposals to provide construction management services that was advertised on October 2, 2020, and October 9, 2020, with a submittal date of November 4, 2020; and

WHEREAS, the City received five proposals which were evaluated and ranked with the top two (2) moving forward to interviews; and

WHEREAS, staff determined the proposal submitted by Mark Thomas & Company, Inc. was most advantageous to the City and negotiated a contract price of \$681,140.00; and

WHEREAS, this Project is funded with Congestion Mitigation Air Quality (CMAQ) funds (240) and a total of \$3,220,000 has been included in the FY 2020-2021 budget for this project. No budget appropriation is necessary at this time.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Rocklin as follows:

Section 1. The contract for construction management services for the Pacific Street Roundabout Project is awarded to Mark Thomas & Company Inc.

Section 2. The City Manager is authorized to execute an Agreement in substantially the form attached hereto as Exhibit "A" for the Rocklin Road at Pacific Street Roundabout Project with Mark Thomas & Company, Inc.

PASSED AND ADOPTED this 26th day of January, 2020 by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

ABSTAIN: Councilmembers:

Jill Gayaldo, Mayor

ATTEST:

Hope Ithurnburn, City Clerk

EXHIBIT A
CONTRACT FOR SERVICES

THIS CONTRACT is made on _____, 2021, by and between the CITY OF ROCKLIN a municipal corporation ("City"), and Mark Thomas & Company Inc., a California corporation

Mark Thomas & Company, Inc.
3741 Douglas Boulevard, Ste. 330
Roseville, CA 95661
(916) 701-9816/zsiviglia@markthomas.com

"Contractor" who mutually agree as follows:

1. SCOPE OF SERVICES

Subject to the terms and conditions set forth in this agreement, Contractor shall provide to the City the services described in the Scope of Work, Exhibit A. Contractor shall provide the services at the time, place and in the manner specified in Exhibits A and/or B. Contractor shall not be compensated for services outside the scope of Exhibit A unless prior to the commencement of the services: (a) Contractor notifies the City and City agrees the services are outside the scope of Exhibit A; (b) Contractor estimates the additional compensation required for these additional services; and (c) City after notice, approves in writing a supplemental agreement specifying the additional services and the amount of compensation therefore. City shall have no obligation whatsoever under this agreement or any supplemental agreement, unless and until the agreement or supplemental agreement is approved by the City Manager, the City Manager's authorized designee, or by the Rocklin City Council, as required by the Rocklin Municipal Code or other local law or policy.

2. COMPENSATION

A. The City shall pay Contractor for the services rendered pursuant to this agreement at the times and in the manner set forth in the Scope of Services, Exhibit A, the Schedule for Performance, Exhibit B, and in accordance with the Schedule of Fees in Exhibit C, but in no event shall the total compensation exceed the **total sum of Six Hundred and Eighty-One Thousand, One Hundred and Forty Dollars (\$681,140.00)**. The payments specified in Exhibits A and/or B shall be the only payments to be made to Contractor for the services rendered pursuant to this Agreement unless pursuant to Section 1, above, City approves additional compensation for additional services.

B. Contractor shall furnish City with invoices for all expenses as well as for all materials authorized by this Contract. The invoices shall be submitted with the monthly billings. Reimbursable expenses shall be limited to actual expenditures of Contractor for expenses that are necessary for the proper completion of the services and shall only be payable if specifically authorized in advance by City.

C. Contractor shall submit all billings/invoices for services to City in the manner specified in Exhibit B. Contractor's fees shall be as specified in the Scope of Work, Exhibit A or the Schedule of Fees as set forth in Exhibit C. All invoices submitted by Contractor shall contain the following information:

- (1) Job/project name or description;
- (2) City's current purchase order and/or work order number (if applicable);
- (3) Contractor's invoice number;
- (4) Date of invoice issuance;
- (5) Description of services billed under invoice, including the description of tasks performed and the corresponding rate charged for the completion of that task;
- (6) Amount of invoice, itemizing all authorized reimbursable expenses; and
- (7) Total billed to date under agreement.

D. City shall make payment to Contractor net 30 days from receipt of an acceptable invoice. If Contractor's performance is not in conformity with the Scope of Work, Exhibit A, or the Schedule of Performance, Exhibit B, or the provisions set forth above, payments may be delayed or denied, unless the Contractor's failure to perform is a documented result of the City's failure to conform with the Schedule of Performance, or if the Schedule of Performance is extended pursuant to Section 4. City shall not be responsible for delays in payment to Contractor resulting from Contractor's failure to comply with the invoice format described above, or as set forth in the Schedule of Performance.

E. During performance of the agreement and for a period of three (3) years after completing all services, Contractor shall maintain all accounting and financial records related to this Agreement, including but not limited to records of Contractor's costs for all services performed under this agreement and records of Contractor's reimbursable expenses, in accordance with generally accepted accounting practices, and shall keep and make the records available for inspection and audit by representatives of the City upon reasonable written notice.

F. Contractor shall pay when and as due, any and all taxes incurred as a result of Contractor's compensation hereunder, including estimated taxes, and shall provide City with proof of payment upon request. Contractor hereby agrees to indemnify City for any claims, losses, costs, fees, liabilities, damages or injuries suffered by City arising out of Contractor's breach of this section.

3. FACILITIES AND EQUIPMENT

Contractor shall at its sole cost and expense, furnish all facilities and equipment that may be required for Contractor to perform services pursuant to this agreement. City shall furnish to Contractor, only the facilities and equipment listed in Exhibit A (if any) according to any terms and conditions set forth in Exhibit A.

4. TERM OF CONTRACT

A. This agreement shall become effective on the date that it is approved by both parties, set forth on the first page of the agreement and shall continue in effect until both parties have fully performed their respective obligations under this agreement, unless sooner terminated as provided herein.

B. The services of Contractor are to commence upon receipt of written notice to proceed from the City, and shall be undertaken and completed in accordance with the Schedule of Performance attached hereto and incorporated herein by this reference as **Exhibit B**.

C. The City Manager or his or her designee may, by written instrument signed by the Parties, extend the duration of this Contract for a period equal to the original term of this Contract in the manner provided in Section 7.

5. SUSPENSION/TERMINATION:

A. City shall have the right at any time to temporarily suspend Contractor's performance hereunder, in whole or in part, by giving written notice of suspension to Contractor. If City gives such notice, Contractor shall immediately suspend its activities under this agreement.

B. This Contract may be terminated by either party, provided that the other party is given not less than **60** calendar days' written notice (delivered by certified mail, return receipt requested) of intent to terminate. If the agreement is terminated by the City:

- i. Contractor shall immediately cease rendering services pursuant to this agreement;
- ii. Contractor shall, not later than five days after such notice of termination, deliver to City copies of all information prepared pursuant to this agreement;
- iii. City shall pay Contractor the reasonable value of services rendered by Contractor prior to termination; provided however, City shall not in any manner be liable for lost profits that might have been made by Contractor had the agreement not been terminated or had Contractor completed the services required by this agreement. Contractor shall furnish to City such financial information as in the judgment of the City is necessary for City to determine the reasonable value of the services rendered by Contractor. The foregoing is cumulative and does not affect any right or remedy that city may have in law or equity.

C. Notwithstanding any provisions of this Contract, Contractor shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of this Contract by Contractor, and the City may withhold any payments due to Contractor until such time as the exact amount of damages, if any, due the City from Contractor is determined.

6. INDEPENDENT CONTRACTOR

Contractor enters into this Contract as an independent contractor and not as an employee or agent of the City. Contractor shall have no power or authority by this Contract to act on behalf of City in any capacity whatsoever as an agent, or to bind the City in any respect or to any obligations whatsoever. Nothing in this Contract shall be construed to be inconsistent with this relationship or status. All employees, agents, contractors or subcontractors hired or retained by the Contractor are employees, agents, contractors or subcontractors of the Contractor and not of the City. The City shall not be obligated in any way to pay any wage claims or other claims made against Contractor by any such employees, agents, contractors or subcontractors, or any other person resulting from performance of this agreement.

7. AMENDMENTS, CHANGES OR MODIFICATIONS

Amendments, changes or modifications in the terms of this Contract may be made at any time by mutual written agreement between the parties hereto and shall be signed by the persons authorized to bind the parties hereto.

8. EXTENSIONS OF TIME

Contractor may, for good cause, request extensions of time to perform the services required hereunder. Such extensions shall be authorized in advance by the City in writing and shall be incorporated in written amendments to this Contract or the attached Work Program in the manner provided in Section 7.

9. PROPERTY OF CITY

It is mutually agreed that all materials prepared by the Contractor under this Contract shall become the property of the City, and the Contractor shall have no property right therein whatsoever. Immediately upon termination, the City shall be entitled to, and the Contractor shall deliver to the City, all data, drawings, specifications, reports, estimates, summaries and other such materials as may have been prepared or accumulated to date by the Contractor in performing this Contract which is not Contractor's privileged information, as defined by law, or Contractor's personnel information, along with all other property belonging exclusively to the City which is in the Contractor's possession.

10. COMPLIANCE WITH ALL LAWS:

Contractor shall keep itself fully informed of, shall observe and comply with, and shall cause any and all persons, firms or corporations employed by it or under its control to observe and comply with, all applicable laws, ordinances, and codes of federal, State and local governments, which in any manner affect those engaged or employed on the work described by this Contract or the materials used or which in any way affect the conduct of the work, and shall commit no trespass on any public or private property in performing any of the work authorized by this Contract.

For all leases and purchases of materials, equipment, supplies or other tangible personal property used to perform the agreement and shipped from outside California, the Contractor and any subcontractors leasing or purchasing such materials, equipment, supplies or other tangible personal property shall obtain a Use Tax Direct Payment Permit or Seller's Permit from the California State Board of Equalization, in accordance with the applicable SBE criteria and requirements. This provision applies in all instances unless prohibited by the funding source for the agreement.

FOR WORK SUBJECT TO PREVAILING WAGES [C. The work contemplated under this Contract is a public work for the purposes of Labor Code section 1720, and is subject to the payment of prevailing wages. Accordingly, Contractor shall comply with the provisions of Exhibit "E".]

11. WARRANTIES AND RESPONSIBILITIES - CONTRACTOR

A. Contractor agrees and represents that it is qualified to properly provide the services set forth in **Exhibit "A"** in a manner which is consistent with the generally accepted standards of Contractor's profession.

B. Contractor is duly licensed, qualified and experienced to perform the services set forth in the Scope of Services, Exhibit A. Contractor represents and warrants that Contractor has all licenses, permits, qualifications and approvals of whatsoever nature that are legally required for Contractor to practice its profession or provide any services under this agreement.

Contractor represents and warrants that Contractor shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this agreement, any licenses, permits and approvals that are legally required for Contractor to practice its profession or provide such services. If Contractor is an out of state corporation, Contractor further warrants and represents that it possesses a valid certification of qualification to transact business in the State of California issued by the California Secretary of State.

C. Contractor shall perform all services required pursuant to this agreement in the manner and according to the standards currently observed by a competent practitioner of Contractor's profession in California. Contractor shall devote such time and effort to the performance of services pursuant to this agreement as is necessary for the satisfactory and timely performance of Contractor's obligations under this agreement. Neither party shall be considered in default of this agreement to the extent that party's performance is prevented or delayed by any cause that is beyond the reasonable control of that party.

D. All products of whatsoever nature that Contractor delivers to City pursuant to this Agreement shall be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in Contractor's profession, and shall be provided in accordance with any scope of services or schedule of performance specified in Exhibits A or B.

E. Contractor shall assign only competent personnel to perform services pursuant to this agreement. Contractor shall designate a project manager who at all times shall represent the Contractor before the City on all matters relating to this Contract. The project manager shall continue in such capacity unless and until he or she is removed at the request of the City, is no longer employed by Contractor, or is replaced with the written approval of the City, which approval shall not be unreasonably withheld. Contractor shall notify City in writing, of any other changes in Contractor's staff assigned to perform the services required under this agreement, prior to any such performance. In the event the City desires the removal of any person assigned by Contractor to perform services pursuant to this agreement, because the City in its sole discretion, determines that such person is not performing in accordance with the standards required herein, Contractor shall remove such person immediately upon receiving notice from the City of the desire for the removal of such person.

F. Contractor agrees and represents that the work performed under this Contract shall be in accordance with applicable federal, State and local law.

G. Contractor shall provide corrective services without charge to the City for services which fail to meet the above professional and legal standards and which are reported to Contractor in writing within sixty (60) days of discovery. Should Contractor fail or refuse to perform promptly its obligations, the City may render or undertake performance thereof and the Contractor agrees it has satisfied itself by its own investigation and research regarding the conditions affecting the work to be done and labor and materials needed, and that its decision to execute this agreement is based on such independent investigation and research. Contractor shall be liable for any expenses thereby incurred.

12. SUBCONTRACTING

None of the services covered by this Contract shall be subcontracted without the prior written consent of the City, which will not be unreasonably withheld. Contractor shall be as fully responsible to the City for the negligent acts and omissions of its contractors and

subcontractors, and of persons either directly or indirectly employed by them, as it is for the negligent acts and omissions of persons directly employed by Contractor.

13. ASSIGNABILITY

Contractor shall not assign or transfer any interest in this Contract whether by assignment or novation, without the prior written consent of the City. The City has a strong interest in the qualifications and capability of the persons and entities that will fulfill the obligations imposed on Contractor under this agreement. However, claims for money due or to become due Contractor from the City under this Contract may be assigned to a financial institution, or to a trustee in bankruptcy, without such approval. Notice of any assignment or transfer whether voluntary or involuntary shall be furnished promptly to the City.

14. INTEREST IN CONTRACT

Contractor covenants that neither it, nor any of its employees, agents, contractors, or subcontractors has any interest, nor shall they acquire any interest, direct or indirect, in the subject of the Contract, nor any other interest which would conflict in any manner or degree with the performance of its services hereunder. Contractor shall make all disclosures required by the City's conflict of interest code in accordance with the category designated by the City, unless the City Manager determines in writing that Contractor's duties are more limited in scope than is warranted by the category designated by the City code and that a narrower disclosure category should apply. Contractor also agrees to make disclosure in compliance with the City conflict of interest code if, at any time after the execution of this Contract, City determines and notifies Contractor in writing that Contractor's duties under this Contract warrant greater disclosure by Contractor than was originally contemplated. Contractor shall make disclosures in the time, place and manner set forth in the conflict of interest code and as directed by the City.

15. MATERIALS CONFIDENTIAL

To the extent permitted by law, all of the materials prepared or assembled by Contractor pursuant to performance of this Contract are confidential and Contractor agrees that they shall not be made available to any individual or organization without the prior written approval of the City, except by court order.

16. LIABILITY OF CONTRACTOR-NEGLIGENCE

Contractor shall be responsible for performing the work under this Contract in a manner which is consistent with the generally-accepted standards of the Contractor's profession and shall be liable for its own negligence and the negligent acts of its employees, agents, contractors and subcontractors. The City shall have no right of control over the manner in which the work is to be done but only as to its outcome, and shall not be charged with the responsibility of preventing risk to Contractor or its employees, agents, contractors or subcontractors.

17. INDEMNITY AND LITIGATION COSTS

Contractor shall protect, hold free and harmless, defend and indemnify the Agency, its Contractors, and each of their officers, employees and agents, from any and all liability, penalties, costs, losses, damages, expenses, causes of action, claims or judgments, including attorney's fees and expenses of litigation arising out of, pertaining to, or relating to the

negligence, recklessness, or willful misconduct of the Contractor, its employees or anyone else employed by the Contractor in the performance of professional design services under this agreement, to the extent of the Contractor's proportionate percentage of fault.

To the extent permitted by Civil Code section 2782.8, for all other claims unrelated to the provision of professional design services, the Contractor shall protect, hold free and harmless, defend and indemnify the Agency, its Contractors, and each of their officers, employees and agents, from any and all liability, penalties, costs, losses, damages, expenses, causes of action, claims or judgments, including attorney's fees and expenses of litigation, which arise out of or are in any way connected with the Contractor's, or its subcontractors' or suppliers', performance under this agreement or failure to comply with any of the obligations contained in the agreement. This indemnity shall imply no reciprocal right of the Contractor in any action on the agreement pursuant to California Civil Code section 1717 or section 1717.5. To the fullest extent legally permissible, this indemnity, defense and hold harmless agreement by the Contractor shall apply to any and all acts or omissions unrelated to the provision of professional design services, whether active or passive, on the part of the Contractor or its agents, employees, representatives, or subcontractor's agents, employees and representatives, resulting in claim or liability, irrespective of whether or not any acts or omissions of the parties to be indemnified hereunder may also have been a contributing factor to the liability, except such loss or damage which was caused by the active negligence, the sole negligence, or the willful misconduct of the Agency.

18. CONTRACTOR TO PROVIDE INSURANCE

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees.

A. *Minimum Scope and limit of Insurance*

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Contractor has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.

3. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.

4. **Professional Liability** (Errors and Omissions) Insurance appropriate to the Contractor's profession, with limit no less than **\$2,000,000** per occurrence or claim, \$2,000,000 aggregate.

If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the City requires and shall be entitled to the broader coverage and/or the higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

B. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured Status.** The City, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).

2. **Primary Coverage.** For any claims related to this contract, the Contractor's insurance coverage shall be primary with coverage at least as broad as ISO CG 20 01 04 13 as respects the City, its officers, officials, employees, or volunteers, and shall be in excess of the Contractor's insurance and shall not contribute to it.

3. **Notice of Cancellation.** Each insurance policy required above shall state that coverage shall not be canceled, except with notice to the City.

4. **Waiver of Subrogation.** Contractor hereby grants to City a waiver of any right to subrogation which any insurer of said Contractor may acquire against the City by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

5. **Self-Insured Retentions.** Self-insured retentions must be declared to and approved by the City. The City may require the Contractor to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

6. **Acceptability of Insurers.** Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

7. **Claims Made Policies.** If any of the required policies provide coverage on a claims made basis:

- i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
- ii. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.

- iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

8. **Verification of Coverage.** Contractor shall furnish the City with original Certificate of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to the City before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

9. **Subcontractors.** Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors.

10. **Special Risks or Circumstances.** City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

19. GENERAL/MISCELLANEOUS PROVISIONS:

A. **Contract Documents.** This agreement and its exhibits shall be known as the "Contract Documents." Terms set forth in any Contract Document shall be deemed to be incorporated in all Contract Documents as if set forth in full therein. In the event of conflict between terms contained in these Contract Documents, the more specific term shall control. If any portion of the Contract Documents shall be in conflict with any other portion, provisions contained in the Contract shall govern over conflicting provisions contained in the exhibits to the Contract. In the event of any conflict between the terms or conditions of this written agreement and any terms or conditions of any document prepared or provided by Contractor and made a part of this agreement, including without limitation any document relating to the scope of services or payment therefor, the written terms of this document shall control over those terms or conditions.

B. **Non-Discrimination in Employment and Equal Employment Opportunity.** Contractor shall not engage in unlawful employment discrimination. Such unlawful employment discrimination includes, but is not limited to, employment discrimination based upon a person's race, color, ancestry, national origin, religious creed, sex (including pregnancy, childbirth breastfeeding or related medical condition), sexual orientation, gender, gender identity, gender expression, age (over 40), disability (mental and physical), medical condition, marital status, citizenship, and military and veteran status.

C. **Inspection of Records.** Contractor shall maintain and make available for inspection by the City and its auditors accurate records of all of its costs, disbursements and receipts with respect to any work under this Contract. Such inspections may be made during regular office hours at any time until six (6) months after the final payments under this Contract are made to the Contractor.

D. **Entire Agreement.** This Contract constitutes the entire agreement between the parties relative to the services specified herein and supersedes whatever oral or written understanding they may have had prior to the execution of this agreement. No alteration or modification of this agreement shall be valid or effective unless and until such modification is evidenced by a writing signed by both parties to this Contract, by persons authorized to act on behalf of the parties. There are no understandings, agreements, conditions, representations, warranties or promises, with respect to this Contract, except those contained in or referred to in the writing.

E. **Severability.** If any portion of this agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable, the remainder of this agreement shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

F. **Waiver.** Neither City's acceptance of, or payment for, any service performed by Contractor, nor any waiver by either party of any default, breach, or condition precedent, shall be construed as a waiver of any provision of this agreement, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.

G. **Notice.** All notices that are required to be given by one party to the other under this Contract shall be in writing and shall be deemed to have been given if delivered personally or enclosed in a properly addressed envelope and deposited in a United States Post Office for delivery by registered or certified mail addressed to the parties at the following addresses:

City: City of Rocklin
4081 Alvis Court
Rocklin, CA 95677

Copy to: City Attorney
City of Rocklin
3970 Rocklin Road
Rocklin, CA 95677
Email: LegalNotices@rocklin.ca.us

Contractor: Mark Thomas & Company Inc.
3741 Douglas Boulevard, Ste. 330
Roseville, CA 95661

H. **Enforcement of Agreement.** This Contract shall be interpreted, governed and enforced in accordance with the laws of the State of California. Venue of any action arising out of this Contract shall be brought and maintained in Placer County California, regardless of where else venue may lie. The parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such court, and consent to service of process issued by such courts.

I. **Attorney's Fees.** In any action brought by either party to enforce the terms of this Contract, each party shall bear responsibility for its attorney's fees and all costs regardless of whether one party is determined to be the prevailing party.

J. **Power and Authority to Enter into Agreement.** All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the

names, titles, and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, Contractor hereby warrants that it shall not have breached the terms or conditions of any other contract or Agreement to which Contractor is obligated, which breach would have a material effect hereon.

K. **Exhibits.** All exhibits referred to herein and attached hereto, are by this reference incorporated as if set forth fully herein.

CITY OF ROCKLIN

By: _____
Aly Zimmermann, City Manager

ATTEST:

By: _____
Hope Ithurn, City Clerk

APPROVED AS TO FORM:

By: _____
Sheri Chapman, City Attorney

CONTRACTOR

By: _____

Print Name: _____

Title: _____

By: _____

Print Name: _____

Title: _____

EXHIBIT A

Contractor Proposal/Scope of Work

Mark Thomas and Company shall complete the following Scope of Work to provide Construction Management for the Rocklin Road at Pacific Street Roundabout Project.

TASK DESCRIPTION	SUB TASKS	DELIVERABLES
<p>Task 1.0 Preconstruction Services</p> <p>Provide administrative and engineering support for the City's Project Manager while the project transitions from the Final Design phase to the Construction Phase. This entails conducting a constructability review, providing assistance during the bid process, and preparing the team for construction. Key items will be comments on the plans; a master project schedule that includes construction items of work, key permit and agreement dates, and notification dates; meetings with the project PDT team and the Caltrans Construction Oversight Engineer; provide public relations assistance and conduct in person meetings with property owners adjacent to the project site.</p>	<p>Task 1.1 Review contract plans, specifications, permits, agreements, environmental documents, and Resident Engineer files.</p> <p>Task 1.2 Prepare and maintain a project schedule.</p> <p>Task 1.3 Prepare project instructions, and establish proposed contract administration and record keeping procedures.</p> <p>Task 1.4 Attend meeting with City and design consultant.</p> <p>Task 1.5 Attend meeting with Caltrans Oversight Engineer.</p> <p>Task 1.6 Support the City through the bidding process.</p> <p>Task 1.7 Prepare for and conduct a preconstruction conference with the Contractor.</p> <p>Task 1.8 SWPPP review</p>	<ul style="list-style-type: none"> • CPM Schedule • Meeting Agenda and Minutes • Responses to Bid Questions • Project File Structure • Project Instructions • Summary of SWPPP Review • Project Website
<p>Task 2.0 Resident Engineer Services during Construction</p> <p>Provide project management, construction administration, scheduling, project observations and inspection, and material testing during construction. Maintain project files in accordance with the Caltrans Local Assistance Program and Construction Manuals. Review and document all change orders, RFIs, submittals and payment requests. Provide public relations support through regular updates of the project website, meeting with property owners, assist the City with answering questions from the public, and generating media to be released to the public. The RE will be the focal point of all project communication and coordination between the Contractor, utilities, Caltrans, the City's Project Manager, and subconsultants. Provide quality assurance in accordance with the City's QAP. Monitor the contractor's process as it pertains to OSHA, labor compliance, and public safety. Monitor project progress to identify inefficiencies to avoid delays. Conduct a final inspection, generate a project punch list, and ensure the punch list is completed to the City's satisfaction.</p>	<p>Task 2.1 Project Coordination and Correspondence</p> <p>Task 2.2 Schedule Management, Progress Meetings, and Reports</p> <p>Task 2.3 Payment Recommendations</p> <p>Task 2.4 Submittals Management</p> <p>Task 2.5 Requests for Information (RFI)</p> <p>Task 2.6 Change Orders</p> <p>Task 2.7 Construction Observation/Inspection Services</p> <p>Task 2.8 Quality Assurance Testing</p> <p>Task 2.9 Labor Compliance</p> <p>Task 2.10 Changes and Claims Management</p> <p>Task 2.11 SWPPP Monitoring, Testing, Reporting Services</p> <p>Task 2.12 Environmental Compliance</p>	<ul style="list-style-type: none"> • Daily Inspection Reports • RE Weekly Reports • Weekly Statement of Working Days • Construction Photos • Responses to RFI's • Change Order Recommendations • Material Test Reports • EEO Interviews • Quantity Sheets and Payment Recommendations • Construction Meeting Agendas and Minutes • SWPPP Inspection Reports • ESA Training • Archaeological/Cultural Monitoring

<p>Task 3.0 Post Construction Services Assist the City with project close-out through Caltrans. This will include assisting with generating Final Report of Expenditures documents, providing redline as-builts to the design engineer, acquire and organize warranty and manuals, and conduct a meeting with the Caltrans Local Assistance Construction Oversight Engineer using Exhibit 19C Post-Construction Review</p>	Task 3.1	Conduct Final Inspections	• As-Builts Redlines
	Task 3.2	Provide Close-Out Documentation	• Meeting Agenda and Minutes
	Task 3.3	Assist the City with Caltrans Close-out and Post Construction Review	• Final Report of Expenditures Documents • Post Construction Review Checklists
<p>Task 4.0 Construction Staking Verification Provide construction staking verification. This will include office calculations, verification of the project control and staking for the limits of clearing and grubbing, finished grading, utilities and storm drains, and other stakes as needed.</p>	Task 4.1	Construction Control	• Verification Calculation
	Task 4.2	Response/Coordination	• Correction Notes
	Task 4.3	Construction Staking Verification	• Field Notes

EXHIBIT B

Schedule of Performance

This project is anticipated to take 12 months from the date that this contract is approved by both parties, set forth on the first page of the agreement.


													Subconsultants				TOTAL COST
	Principal	Project Manager	Construction Manager	RE/Structural Representative	Inspector - CM	Office Engineer	Sr. Survey Manager	Project Surveyor	Survey Technician	Sr. Project Accountant	Sr. Project Coordinator	Total Hours	Argonaut	ESP	Sierra Geotech	AIM	
CONSTRUCTION MANAGEMENT																	
1.0 Preconstruction Services	2	8	40	120	20	8				6	12	216	20			105	341
2.0 RE Services During Construction	2	36	80	720	1560	80						2478	100		362	225	3165
3.0 Post Construction	2	8	40	160	20	20						250	8			20	278
4.0 Construction Staking Verification							10	20	40			70		80			150
TOTAL HOURS	6	52	160	1000	1600	108	10	20	40	6	12	3014	128	80	362	350	3934

EXHIBIT C

Schedule of Fees

Fee(s) for the Construction Management Services listed below shall not exceed Six Hundred and Eight-One Thousand, Four Hundred Dollars (\$681,140). Contractor will provide services for the amounts shown below.


														Subconsultants				TOTAL COST	
														Principal	Division Manager - CM	Sr. Project Manager - CM	RE/Structural Representative		Inspector - CM
	\$384	\$234	\$231	\$187	\$171	\$129	\$192	\$146	\$78	\$127	\$116			DBE	DBE	DBE	DBE		
CONSTRUCTION MANAGEMENT																			
1.0 Preconstruction Services	2	8	40	120	20	8				6	12	216	\$40,884	2,500	-	-	10,562	\$53,946	
2.0 RE Services During Construction	2	36	80	720	1560	80						2478	\$439,096	13,152		38,247	22,644	\$513,139	
3.0 Post Construction	2	8	40	160	20	20						250	\$47,741	1,000	-	-	2,000	\$50,741	
4.0 Construction Staking Verification								10	20	40		70	\$7,962	-	28,990	-	-	\$36,951	
Subtotal Phase	6	52	160	1000	1600	108	10	20	40	6	12	3014	\$535,683	\$16,652	\$28,990	\$38,247	\$35,206	\$654,777	
TOTAL HOURS	6	52	160	1000	1600	108	10	20	40	6	12	3014							
Anticipated Salary Increases													\$0	\$0	\$0	\$861	\$3,600	\$4,461	
OTHER DIRECT COSTS													\$1,466	\$10,000	\$0	\$10,436	\$0	\$21,902	
TOTAL COST	\$2,306	\$12,184	\$36,982	\$186,580	\$273,584	\$13,931	\$1,922	\$2,920	\$3,120	\$762	\$1,392		\$537,148	\$26,652	\$28,990	\$49,544	\$38,806	\$681,140	

EXHIBIT D

CERTIFICATE OF COMPLIANCE WITH LABOR CODE § 3700
[Labor Code § 1861]

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

CONTRACTORS

By: _____
[Title]

EXHIBIT E

LABOR COMPLIANCE

1. PREVAILING WAGE

A. The Work contemplated herein constitutes a public work within the meaning of Labor Code sections 1720 and 1771. It shall be mandatory upon the Contractor and upon any Subcontractor, to pay not less than the said specified prevailing rates of wages to all workers employed by them under the Contract in accordance with Labor Code section 1774. The Director of the Department of Industrial Relations ("DIR") of the State of California has determined the general prevailing rate of wages of per diem wages in the locality in which the work is to be performed for each craft or type of worker needed to execute the Contract. The Contractor acknowledges that it has examined the prevailing rate of per diem wages as established by the DIR. Copies of the current schedules for prevailing wages are on file at City Hall, and the contents of those schedules are incorporated herein as if set forth in full. The Contractor shall post a copy of the applicable prevailing wage determinations at each job site, along with any other work place posters required by law.

B. The City will not recognize any claims for additional compensation because of the payment of prevailing wages. The possibility of wage increases is one of the elements to be considered by the Contractor in determining its proposal, and will not under any circumstances be considered as the basis of a claim against the City.

C. By executing this Contract Contractor warrants that it has registered with the Department of Industrial Relations in accordance with Labor Code section 1725.5.

2. PREVAILING WAGE RECORDS

A. The Contractor and each subcontractor shall keep an accurate payroll record which shows the name, address, social security number, correct work classification (in accordance with the wage decision), both straight and overtime worked each day and week, and hourly rate of pay, gross wages earned, deductions made and net wages paid to each journeyman, apprentice, worker or other employee paid by the Contractor /subcontractor in connection with the Work. These payroll records shall be certified and shall be made available at Contractor's principal office. These records shall be maintained during the course of the Work. The Contractor and all subcontractors shall make the certified payroll records available for inspection by City representatives upon request and shall permit such representatives to interview employees during the work hours on the job site.

B. The City shall notify the Contractor in writing of any discrepancies or violations that are discovered during such inspections. Written notification pursuant to this Section shall include the actions that will be necessary to resolve the discrepancies and/or violations. The Contractor shall be held entirely responsible for the prompt resolution of all non-compliances with the prevailing wage laws, including those pertaining to all subcontractors and any lower-tier subcontractors. The Contractor shall

forfeit as penalty to the City the amount specified by law for each calendar day or portion thereof for each worker (whether employed by the Contractor or any subcontractor) paid less than the stipulated prevailing rates for any work done under the Contract in violation of the provisions of the Labor Code and in particular, Section 1775.

C. To the extent applicable, Contractor and subcontractors shall maintain and furnish to the Department of Industrial Relations ("DIR"), a certified copy of each weekly payroll (but no less often than monthly), with a statement of compliance signed under penalty of perjury. Such certified payroll reports shall be transmitted electronically to the DIR.

D. The City will not recognize any claims for additional compensation because of the payment of the prevailing wages. The possibility of wage increases is one of the elements to be considered by the Contractor in entering into the Contract, and will not under any circumstances, other than delays caused by the City, or the City's agents, be considered as the basis of a claim against the City.

3. Labor Discrimination

Attention is directed to Section 1735 of the Labor Code, which reads as follows:

"No discrimination shall be made in the employment of persons upon public works because of their race, color, national origin or ancestry, physical handicap, mental condition, marital status, or sex of such person, except as provided in Section 12940 of the Government Code, and every General Contractor for public works violating this section is subject to all the penalties imposed for a violation of this chapter."

4 Eight-Hour Day Limitation

(a) In accordance with the provisions of the Labor Code, and in particular, Sections 1810 to 1815 thereof, inclusive, incorporated herein by reference, eight hours labor shall constitute a day's work, and no worker in the employ of Contractor, or any Subcontractor, doing or contracting to do any part of the work contemplated by the Contract, shall be required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week in violation of those provisions; provided that subject to Labor Code Section 1815, a worker may perform work in excess of either eight (8) hours per day or forty (40) hours during any one week upon compensation for all hours worked in excess of eight (8) hours per day or forty (40) hours during any one week at not less than one and one-half times the basic rate of pay.

(b) The Contractor and each Subcontractor shall also keep an accurate record showing the names and actual hours worked of all workers employed by them in connection with the Contract. This record shall be open at all reasonable hours to the inspection of the City. It is hereby further agreed that, except as provided in (a) above, the Contractor shall forfeit as a penalty to the City the sum of twenty-five dollars (\$25) for each worker employed in the performance of the Contract by the Contractor or by any of its Subcontractors for each calendar day during which such worker is required or

permitted to labor more than eight (8) hours in and one calendar day and forty (40) hours in any one calendar week in violation of Sections 1810 through 1815.

5. Compliance with State Requirements for Employment of Apprentices

(a) The Contractor's attention is directed to Section 1777.5 of the Labor Code. Provisions of said Section pertaining to employment of registered apprentices are hereby incorporated by reference into this Contract. As applicable, the Contractor or any Subcontractor employed by the Contractor in the performance of this Contract shall take such actions as necessary to comply with the provisions of Section 1777.5.

**NOTICE TO CONSULTANT
OF DISCLOSURE OBLIGATIONS UNDER THE
CALIFORNIA POLITICAL REFORM ACT
(Name/Project)**

The Political Reform Act ("PRA") (Government Code §81000, et seq.) provides that "no public official at any level of state or local government shall make, participate in making, or in any way attempt to use his official position to influence a governmental decision in which he knows or has reason to know he has a financial interest." (Government Code §87100.) In addition, the Act requires every public official to disclose those economic interests that could foreseeably be affected by the exercise of his or her duties.

The term "public official" includes consultants. (Government Code §82048.) The PRA regulations (2 CCR 18700.3) defines consultants to include an individual who makes certain described governmental decisions, or, who serves in a staff capacity with the agency and in that capacity performs the same or substantially all of the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code. A copy of Regulation 18700.3 is attached for your reference.

It is not the business or firm providing services to the City that is considered the consultant. The individuals working for the firm who provide the services are considered the consultants. These individuals must file Statements of Economic Interest based on their personal financial interests and are subject to disqualification and other laws affecting public officials.

Because not all consultants participate in making decisions on behalf of the City in a manner covered by the Political Reform Act, the City does not amend its Conflict of Interest Code each time a consultant is hired. Instead, consultants are included generically in the City's Conflict of Interest Code as designated employees.

Under the law, it is the responsibility of each individual who will be providing services under the agreement to file an Assuming Office Statement, an Annual Statement, and a Leaving Office Statement if he/she determines the work being done under contract with the City qualifies the individual as a "consultant" within the meaning of the law.

Prior to commencing work under this agreement, you must notify the Rocklin City Clerk of your determination and request and file the appropriate forms, if necessary. Please complete and sign the form below and return to the City Clerk.

Attachment

legal\administration\conflict of interest notice to consultant

**DETERMINATION OF DISCLOSURE OBLIGATIONS UNDER
CALIFORNIA POLITICAL REFORM ACT
(NAME/PROJECT)**

I have read this Notice to Consultant of Disclosure Obligations under the California Political Reform Act and have determined that (check one):

_____ By virtue of the work that I will perform under this Consultant Services Agreement, I am a public official within the meaning of the Political Reform Act. Enclosed is my Assuming Office Statement (Form 700).

_____ Under this Consultant Services Agreement, I will not be performing the duties of a public official/consultant within the meaning of the Political Reform Act.

Dated: _____

(Name of Consultant)

By: _____

(Signature)

(Type Name)

(Address)

(Address)

CALIFORNIA ADMINISTRATIVE CODE
TITLE 2. ADMINISTRATION
DIVISION 6. FAIR POLITICAL PRACTICES COMMISSION
CHAPTER 7. CONFLICTS OF INTEREST

§18700.3. Consultant, Public Official Who Manages Investments: Definitions.

- (a) For purposes of Government Code 82019 and 82048, “Consultant” means an individual who, pursuant to a contract with a state or local government agency:
 - (1) Makes a governmental decision whether to:
 - (A) Approve a rate, rule, or regulation;
 - (B) Adopt or enforce a law;
 - (C) Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement;
 - (D) Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract that requires agency approval;
 - (E) Grant agency approval to a contract that requires agency approval and to which the agency is a party, or to the specifications for such a contract;
 - (F) Grant agency approval to a plan, design, report, study, or similar item;
 - (G) Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision thereof; or
 - (2) Serves in a staff capacity with the agency and in that capacity participates in making a governmental decision as defined in Regulation 18704(a) and (b) or performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency’s Conflict of Interest Code under Section 87302.
- (b) For purposes of Section 87200, the following definitions apply:
 - (1) “Other public officials who manage public investments” means:
 - (A) Members of boards and commissions, including pension and retirement boards or commissions, or of committees thereof, who exercise responsibility for the management of public investments;
 - (B) High-level officers and employees of public agencies who exercise primary responsibility for the management of public investments, such as chief or principal investment officers or chief financial managers. This category shall not include officers and employees who work under the supervision of the chief or principal investment officers or the chief financial managers; and
 - (C) Individuals who, pursuant to a contract with a state or local government agency, perform the same or substantially all the same functions that would otherwise be performed by the public officials described in subdivision (b)(1)(B).

- (c) “Public investments” means the investment of public moneys in real estate, securities, or other economic interests for the production of revenue or other financial return.
- (d) “Public moneys” means all moneys belonging to, received by, or held by, the state, or any city, county, town, district, or public agency therein, or by an officer thereof acting in his or her official capacity, and includes the proceeds of all bonds and other evidences of indebtedness, trust funds held by public pension and retirement systems, deferred compensation funds held for investment by public agencies, and public moneys held by a financial institution under a trust indenture to which a public agency is a party.
- (e) “Management of public investments” means the following non-ministerial functions: directing the investment of public moneys; formulating or approving investment policies; approving or establishing guidelines for asset allocations; or approving investment transactions.

Appendix E of the Title VI Assurances

(USDOT Order 1050.2A)

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “contractor”) agrees to comply with the following nondiscrimination statutes and authorities; including but not limited to:

Pertinent Nondiscrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 U.S.C. § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38;

- The Federal Aviation Administration's Nondiscrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

APPENDIX F – FEDERALLY REQUIRED FORMS

Exhibit 10-I Notice to Proposers DBE Information

(Federally funded projects only)

The Agency has established a **DBE goal** for this Contract of **18%**.

1. *TERMS AS USED IN THIS DOCUMENT*

- The term “Disadvantaged Business Enterprise” or “DBE” means a for-profit small business concern owned and controlled by a socially and economically disadvantaged person(s) as defined in Title 49, Code of Federal Regulations (CFR), Part 26.5.
- The term “Agreement” also means “Contract.”
- Agency also means the local entity entering into this contract with the Contractor or Consultant.
- The term “Small Business” or “SB” is as defined in 49 CFR 26.65.

2. *AUTHORITY AND RESPONSIBILITY*

- A. DBEs and other small businesses are strongly encouraged to participate in the performance of Contracts financed in whole or in part with federal funds (See 49 CFR 26, “Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs”). The Consultant must ensure that DBEs and other small businesses have the opportunity to participate in the performance of the work that is the subject of this solicitation and should take all necessary and reasonable steps for this assurance. The proposer must not discriminate on the basis of race, color, national origin, or sex in the award and performance of subcontracts.
- B. Proposers are encouraged to use services offered by financial institutions owned and controlled by DBEs.

3. *SUBMISSION OF DBE INFORMATION*

If there is a DBE goal on the contract, Exhibit 10-O1: Consultant Proposal DBE Commitment must be included in the Proposal. In order for a proposer to be considered responsible and responsive, the proposer must make good faith efforts to meet the goal established for the contract. If the goal is not met, the proposer must document adequate good faith efforts. All DBE participation will be counted towards meeting the contract goal; therefore, all DBE participation shall be collected and reported.

Exhibit 10-O2 *Consultant Contract DBE Information* must be included in best qualified consultant’s executed consultant contract. Even if no DBE participation will be reported, the successful proposer must execute and return the form.

4. *DBE PARTICIPATION GENERAL INFORMATION*

It is the proposer’s responsibility to be fully informed regarding the requirements of 49 CFR, Part 26, and the Department’s DBE program developed pursuant to the regulations. Particular attention is directed to the following:

- A. A DBE must be a small business firm defined pursuant to 13 CFR 121 and be certified through the California Unified Certification Program (CUCP).
- B. A certified DBE may participate as a prime consultant, subconsultant, joint venture partner, as a vendor of material or supplies, or as a trucking company.

- C. A DBE proposer not proposing as a joint venture with a non-DBE, will be required to document one or a combination of the following:
 - 1. The proposer is a DBE and will meet the goal by performing work with its own forces.
 - 2. The proposer will meet the goal through work performed by DBE subconsultants, suppliers or trucking companies.
 - 3. The proposer, prior to proposing, made adequate good faith efforts to meet the goal.
- D. A DBE joint venture partner must be responsible for specific contract items of work or clearly defined portions thereof. Responsibility means actually performing, managing, and supervising the work with its own forces. The DBE joint venture partner must share in the capital contribution, control, management, risks and profits of the joint venture commensurate with its ownership interest.
- E. A DBE must perform a commercially useful function pursuant to 49 CFR 26.55, that is, a DBE firm must be responsible for the execution of a distinct element of the work and must carry out its responsibility by actually performing, managing and supervising the work.
- F. The proposer shall list only one subconsultant for each portion of work as defined in their proposal and all DBE subconsultants should be listed in the bid/cost proposal list of subconsultants.
- G. A prime consultant who is a certified DBE is eligible to claim all of the work in the Contract toward the DBE participation except that portion of the work to be performed by non-DBE subconsultants.

5. RESOURCES

- A. The CUCP database includes the certified DBEs from all certifying agencies participating in the CUCP. If you believe a firm is certified that cannot be located on the database, please contact the Caltrans Office of Certification toll free number 1-866-810-6346 for assistance.
- B. Access the CUCP database from the Department of Transportation, Office of Civil Rights [website](#).
 - 1. Click on the link titled "Access the DBE Query Form"
 - 2. Click on "Start DBE Firms Query" linkSearches can be performed by one or more criteria. Follow instructions on the screen.

6. MATERIALS OR SUPPLIES PURCHASED FROM DBES COUNT TOWARDS THE DBE GOAL UNDER THE FOLLOWING CONDITIONS:

- A. If the materials or supplies are obtained from a DBE manufacturer, count 100 percent of the cost of the materials or supplies. A DBE manufacturer is a firm that operates or maintains a factory, or establishment that produces on the premises the materials, supplies, articles, or equipment required under the Contract and of the general character described by the specifications.
- B. If the materials or supplies purchased from a DBE regular dealer, count 60 percent of the cost of the materials or supplies. A DBE regular dealer is a firm that owns, operates or maintains a store, warehouse, or other establishment in which the materials, supplies, articles or equipment of the general character described by the specifications and required under the Contract are bought, kept in stock, and regularly sold or leased to the public in the usual course of business. To be a DBE regular dealer, the firm must be an established, regular business that engages, as its principal business and under its own

name, in the purchase and sale or lease of the products in question. A person may be a DBE regular dealer in such bulk items as petroleum products, steel, cement, gravel, stone or asphalt without owning, operating or maintaining a place of business provided in this section.

- C. If the person both owns and operates distribution equipment for the products, any supplementing of regular dealers' own distribution equipment shall be, by a long-term lease agreement and not an ad hoc or Agreement-by-Agreement basis. Packagers, brokers, manufacturers' representatives, or other persons who arrange or expedite transactions are not DBE regular dealers within the meaning of this section.
- D. Materials or supplies purchased from a DBE, which is neither a manufacturer nor a regular dealer, will be limited to the entire amount of fees or commissions charged for assistance in the procurement of the materials and supplies, or fees or transportation charges for the delivery of materials or supplies required on the job site, provided the fees are reasonable and not excessive as compared with fees charged for similar services.

Mark-ups are Not Allowed

Prime Consultant

Subconsultant

2nd Tier Subconsultant

Consultant: **Mark Thomas & Company, Inc.**

Project No. _____ Contract No. _____

Date **12/11/2020**

DIRECT LABOR

Classification/Title	Name	Range	Hours	Actual Hourly Rate	Total
Principal	Zach Siviglia	\$120 - \$140	6	\$ 138.00	\$ 828.00
Engineering Manager		\$99 - \$121		\$ 112.76	\$ -
Engineering Manager		\$89 - \$105		\$ 96.24	\$ -
Practice Area Leader		\$89 - \$105		\$ 96.24	\$ -
Project Manager		\$69 - \$89		\$ 80.44	\$ -
Technical Lead		\$69 - \$89		\$ 80.44	\$ -
Project Manager		\$60 - \$71		\$ 66.07	\$ -
Technical Lead		\$60 - \$71		\$ 66.07	\$ -
Project Engineer		\$51 - \$61		\$ 56.74	\$ -
Technical Engineer		\$51 - \$61		\$ 56.74	\$ -
Project Engineer		\$46 - \$55		\$ 49.55	\$ -
Design Engineer II		\$39 - \$48		\$ 43.09	\$ -
Design Engineer I		\$30 - \$41		\$ 35.19	\$ -
Technician		\$36 - \$47		\$ 42.01	\$ -
Technician		\$24 - \$36		\$ 30.88	\$ -
Intern		\$15 - \$25		\$ 20.11	\$ -
Survey Division Manager		\$90 - \$105		\$ 99.47	\$ -
Survey Manager	Brandon Benton	\$66 - \$80	10	\$ 69.00	\$ 690.00
Survey Manager		\$57 - \$68		\$ 63.20	\$ -
Project Surveyor		\$54 - \$63		\$ 57.45	\$ -
Project Surveyor		\$49 - \$58	20	\$ 52.43	\$ 1,048.60
Surveyor		\$40 - \$52		\$ 47.04	\$ -
Surveyor		\$35 - \$43		\$ 38.06	\$ -
Lead Survey Technician		\$46 - \$55		\$ 49.20	\$ -
Survey Technician		\$29 - \$47		\$ 39.14	\$ -
Survey Technician		\$25 - \$33	40	\$ 28.01	\$ 1,120.40
Survey Intern		\$15 - \$25		\$ 20.47	\$ -
Angle Chief*		\$47 - \$56		\$ 51.35	\$ -
Angle Instrumentman*		\$43 - \$51		\$ 45.96	\$ -
Angle Chainman*		\$41 - \$46		\$ 42.73	\$ -
Apprentice*		\$20 - \$45		\$ 33.75	\$ -
Person Field Crew*		\$47 - \$56		\$ 51.35	\$ -
Person Field Crew*		\$88 - \$107		\$ 99.83	\$ -
Person Field Crew*		\$108 - \$150		\$ 132.15	\$ -
PLAUD Division Manager		\$80 - \$90		\$ 84.75	\$ -

Director - Apprentice*		\$20 - \$34		\$ 24.78	\$ -
Division/Area Manager		\$102 - \$118		\$ 112.76	\$ -
Division Manager - CM	John Collins	\$88 - \$102	52	\$ 84.14	\$ 4,375.2
Project Manager - CM	Raul Cervantes	\$78 - \$88	160	\$ 83.00	\$ 13,280.0
Structural Representative	Nick Graves	\$76 - \$85	500	\$ 67.00	\$ 33,500.0
Structural Representative	Taylor Loyd	\$76 - \$85	500	\$ 67.00	\$ 33,500.0
Project Manager - CM		\$72 - \$83		\$ 76.85	\$ -
Int. Resident Engineer*		\$57 - \$66		\$ 61.40	\$ -
Director - CM*		\$57 - \$66	1600	\$ 61.40	\$ 98,240.0
Process Engineer		\$40 - \$52	108	\$ 46.32	\$ 5,002.5
Process Technician		\$20 - \$29		\$ 23.70	\$ -
Expert Witness		\$130 - \$158		\$ 150.82	\$ -
Strategic Consulting		\$130 - \$158		\$ 150.82	\$ -
Funding Specialist		\$50 - \$63		\$ 57.45	\$ -
Bidding Specialist		\$40 - \$52		\$ 46.68	\$ -
Project Accountant		\$40 - \$51	6	\$ 45.60	\$ 273.6
Project Accountant		\$32 - \$42		\$ 36.99	\$ -
Project Coordinator		\$36 - \$48	12	\$ 41.81	\$ 501.7
Project Coordinator		\$28 - \$38		\$ 32.68	\$ -
Project Assistant		\$28 - \$38		\$ 32.32	\$ -
Project Assistant		\$20 - \$29		\$ 24.78	\$ -
Technical Writer		\$29 - \$42		\$ 36.27	\$ -
Technical Writer		\$20 - \$30		\$ 25.14	\$ -
Graphic Manager		\$47 - \$55		\$ 49.91	\$ -
Graphic Designer		\$36 - \$48		\$ 43.09	\$ -
Graphic Designer		\$31 - \$40		\$ 34.83	\$ -

LABOR COSTS

Subtotal Direct Labor Costs		\$ 192,360.16
Anticipated Salary Increases (see page 2 for calculation)		\$ -
c) TOTAL DIRECT LABOR COSTS [(a) + (b)]	\$	192,360.16

INDIRECT COSTS

Fringe Benefits (Rate: <u>74.09%</u>)	e) Total Fringe Benefits [(c) x (d)]	\$ 142,519.64
Overhead & G&A (Rate: <u>70.19%</u>)	g) Overhead [(c) x (f)]	\$ 135,017.60
General & Admin (Rate: <u> </u>)	i) Gen & Admin [(c) x (h)]	\$ -
	j) TOTAL INDIRECT COSTS [(e) + (g) + (i)]	\$ 277,537.24
FIXED FEE	k) TOTAL FIXED FEE [(c) + (j)] x fixed fee: 14%	\$ 65,785.21

CONSULTANT'S OTHER DIRECT COSTS (ODC) - ITEMIZE (Add additional pages if necessary)

Description of Item	Quantity	Unit	Unit Cost	Total
Mileage	2527	mile	\$ 0.58	\$ 1,465.66
				\$ -
				\$ -
				\$ -

CALCULATIONS FOR ANTICIPATED SALARY INCREASES

Consultant **Mark Thomas & Company**

Project No. _____ Contract No. _____

Date **12/11/2020**

Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

Direct Labor <u>Subtotal</u> per Cost Proposal	Total Hours per Cost Proposal	=	Avg Hourly Rate	5 Year Contract Duration
\$ 192,360.16	3014		\$ 63.82	Year 1 Avg Hourly Rate

Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

Year	Avg Hourly Rate	+	Proposed Escalation	=	Year	Avg Hourly Rate
Year 1	\$ 63.82		5%		Year 2	\$ 67.01
Year 2	\$ 67.01		5%		Year 3	\$ 70.36
Year 3	\$ 70.36		5%		Year 4	\$ 73.88
Year 4	\$ 73.88		5%		Year 5	\$ 77.58

Calculate estimated hours per year (Multiply estimate % each year by total hours)

Year	Estimated % Completed Each Year	*	Total Hours per Cost Proposal	=	Total Hours per Year	Description
Year 1	40.00%		3014.0		1205.6	Estimated Hours Year
Year 2	30.00%		3014.0		904.2	Estimated Hours Year
Year 3	30.00%		3014.0		904.2	Estimated Hours Year
Year 4	0.00%		3014.0		0.0	Estimated Hours Year
Year 5	0.00%		3014.0		0.0	Estimated Hours Year
Total	100%		Total		3014.0	

Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)

Year	Avg Hourly Rate (calculated above)	*	Estimated hours (calculated above)	=	Cost per Year	Description
Year 1	\$ 63.82		1206		\$ 76,944.06	Estimated Hours Year
Year 2	\$ 67.01		904		\$ 60,593.45	Estimated Hours Year
Year 3	\$ 70.36		904		\$ 63,623.12	Estimated Hours Year
Year 4	\$ 73.88		0		\$ -	Estimated Hours Year
Year 5	\$ 54.12		0		\$ -	Estimated Hours Year
Total Direct Labor Cost with Escalation					\$ 201,160.64	
Direct Labor Subtotal before Escalation					\$ 192,360.16	
Estimated total of Direct Labor Salary Increase					\$ 8,800.48	Transfer to Page 1

NOTES:

- This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.

Certification of Direct Costs:

The undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

Costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Local governments are responsible for applying only cognizant agency or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Subconsultant Certifying:

Name: Zach Siviglia

Title *: Vice President

Signature:  _____

Date of Certification: 12/11/2020

Email: zsiviglia@markthomas.com

Phone number: (916) 381-9100

Address: 701 University Avenue, Suite 200, Sacramento, CA 95825

* An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

What services the consultant is providing under the proposed contract:

**EXHIBIT 10-K CONSULTANT ANNUAL CERTIFICATION OF
INDIRECT COSTS AND FINANCIAL MANAGEMENT SYSTEM**

(Note: If a Safe Harbor Indirect Cost Rate is approved, this form is not required.)

Consultant's Full Legal Name: Mark Thomas & Company, Inc.

Important: Consultant means the individual or consultant providing engineering and design related services as a party of a contract with a recipient or sub-recipient of Federal assistance. Therefore, the Indirect Cost Rate(s) shall not be combined with its parent company or subsidiaries.

Indirect Cost Rate:

Combined Rate 144.28 % OR

Home Office Rate _____ % and Field Office Rate (if applicable) _____ %

Facilities Capital Cost of Money _____ % (if applicable)

Fiscal period * 01/01/2019 - 12/31/2019

* Fiscal period is annual one year applicable accounting period that the Indirect Cost Rate was developed (not the contract period). The Indirect Cost Rate is based on the consultant's one-year applicable accounting period for which financial statements are regularly prepared by the consultant.

I have reviewed the proposal to establish an Indirect Cost Rate(s) for the **fiscal period** as specified above and have determined to the best of my knowledge and belief that:

- All costs included in the cost proposal to establish the indirect cost rate(s) are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) 48, Code of Federal Regulations (CFR), Chapter 1, Part 31 (48 CFR Part 31);
- The cost proposal does not include any costs which are expressly unallowable under the cost principles of 48 CFR Part 31;
- The accounting treatment and billing of prevailing wage delta costs are consistent with our prevailing wage policy as either direct labor, indirect costs, or other direct costs on all federally-funded A&E Consultant Contracts.
- All known material transactions or events that have occurred subsequent to year-end affecting the consultant's ownership, organization, and indirect cost rates have been disclosed as of the date of this certification.

I am providing the required and applicable documents as instructed on Exhibit 10-A.

Financial Management System:

Our labor charging, job costing, and accounting systems meet the standards for financial reporting, accounting records, and internal control adequate to demonstrate that costs claimed have been incurred, appropriately accounted for, are allocable to the contract, and comply with the federal requirements as set forth in [Title 23 United States Code \(U.S.C.\) Section 112\(b\)\(2\)](#); [48 CFR Part 31.201-2\(d\)](#); [23 CFR, Chapter 1, Part 172.11\(a\)\(2\)](#); and all applicable state and federal rules and regulations.

Our financial management system has the following attributes:

- Account numbers identifying allowable direct, indirect, and unallowable cost accounts;
- Ability to accumulate and segregate allowable direct, indirect, and unallowable costs into separate cost

accounts;

- Ability to accumulate and segregate allowable direct costs by project, contract and type of cost;
- Internal controls to maintain integrity of financial management system;
- Ability to account and record costs consistently and to ensure costs billed are in compliance with FAR;
- Ability to ensure and demonstrate costs billed reconcile to general ledgers and job costing system; and
- Ability to ensure costs are in compliance with contract terms and federal and state requirement

Cost Reimbursements on Contracts:

I also understand that failure to comply with 48 CFR Part 16.301-3 or knowingly charge unallowable costs to Federal-Aid Highway Program (FAHP) contracts may result in possible penalties and sanctions as provided by the following:


- Sanctions and Penalties - [23 CFR Part 172.11\(c\)\(4\)](#)
- False Claims Act - [Title 31 U.S.C. Sections 3729-3733](#)
- Statements or entries generally - [Title 18 U.S.C. Section 1001](#)
- Major Fraud Act - [Title 18 U.S.C. Section 1031](#)

All A&E Contract Information:

- Total participation amount \$ 84,667,659.51 on all State and FAHP contracts for Architectural & Engineering services that the consultant received in the last three fiscal periods.
- The number of states in which the consultant does business is one.
- Years of consultant’s experience with 48 CFR Part 31 is 30+ years.
- Audit history of the consultant’s current and prior years (if applicable)

<input type="checkbox"/> Cognizant ICR Audit	<input type="checkbox"/> Local Gov’t ICR Audit	<input type="checkbox"/> Caltrans ICR Audit
<input type="checkbox"/> CPA ICR Audit	<input type="checkbox"/> Federal Gov’t ICR Audit	

I, the undersigned, certify all of the above to the best of my knowledge and belief and that I have reviewed the Indirect Cost Rate Schedule to determine that any costs which are expressly unallowable under the Federal cost principles have been removed and comply with [Title 23 U.S.C. Section 112\(b\)\(2\)](#), [48 CFR Part 31](#), [23 CFR Part 172](#), and all applicable state and federal rules and regulations. I also certify that I understand that all documentation of compliance must be retained by the consultant. I hereby acknowledge that costs that are noncompliant with the federal and state requirements are not eligible for reimbursement and must be returned to Caltrans.

Name**: Zach Siviglia Title**: Vice President
 Signature:  Date of Certification (mm/dd/yyyy): 10/30/2020
 Email**: zsiviglia@markthomas.com Phone Number**: (916) 381-9100

**An individual executive or financial officer of the consultant’s or subconsultant’s organization at a level no lower than a Vice President, a Chief Financial Officer, or equivalent, who has authority to represent the financial information used to establish the indirect cost rate.

Note: ***Both prime and subconsultants as parties of a contract must complete their own Exhibit 10-K forms. Caltrans will not process local agency’s invoices until a complete Exhibit 10-K form is accepted and approved by Caltrans Audits and Investigations.***

Distribution: 1) Original - Local Agency Project File
 2) Copy - Consultant
 3) Copy - Caltrans Audits and Investigations

Mark-ups are Not Allowed

Prime Consultant

Subconsultant

2nd Tier Subconsultant

Consultant: AIM Consulting, Inc.

Project No. City of Rocklin Roundabout

Contract No. _____

Date 10/23/2020

DIRECT LABOR

Classification/Title	Name	Hours	Actual Hourly Rate	Total
Outreach Oversight*	Gladys Cornell	44.00	\$ 57.69	\$ 2,538.36
Electronic Comm. Designer	To Be Determined	11.00	\$ 41.12	\$ 452.32
Graphic Designer	To Be Determined	18.00	\$ 35.00	\$ 630.00
Outreach Manager	To Be Determined	146.00	\$ 28.84	\$ 4,210.64
Outreach Coordinator	To Be Determined	131.00	\$ 19.80	\$ 2,593.80
				\$ -
				\$ -
				\$ -
				\$ -

LABOR COSTS

Subtotal Direct Labor Costs \$ 10,425.12

Anticipated Salary Increases (see page 2 for calculation)

c) TOTAL DIRECT LABOR COSTS [(a) + (b)] \$ 10,425.12

DIRECT COSTS

Fringe Benefits (Rate: 62.00%) e) Total Fringe Benefits [(c) x (d)] \$ 6,463.57

Overhead & G&A (Rate: 103.00%) g) Overhead [(c) x (f)] \$ 10,737.87

General & Admin (Rate: 42.00%) i) Gen & Admin [(c) x (h)] \$ 4,378.55

j) TOTAL INDIRECT COSTS [(e) + (g) + (i)] \$ 21,580.00

FIXED FEE

k) TOTAL FIXED FEE [(c) + (j)] x fixed fee: 10% \$ 3,200.51

CONSULTANT'S OTHER DIRECT COSTS (ODC) - ITEMIZE (Add additional pages if necessary)

Description of Item	Quantity	Unit	Unit Cost	Total
Travel/Per Diem/Parking				\$ 800.00
Printed Materials				\$ 1,600.00
Professional Services/Consultation Expenses				\$ 1,200.00
				\$ -

l) TOTAL OTHER DIRECT COSTS \$ 3,600.00

SUBCONSULTANTS' COSTS (Add additional pages if necessary)

Subconsultant 1: \$ -

Subconsultant 2: \$ -

Subconsultant 3: \$ -

Subconsultant 4: \$ -

m) TOTAL SUBCONSULTANTS' COSTS \$ -

n) TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS [(l) + (m)] \$ 3,600.00

CALCULATIONS FOR ANTICIPATED SALARY INCREASES

Consultant AIM Consulting, Inc.

Project No. City of Rocklin Roundabout Contract No. _____

Date 10/23/2020

Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

Direct Labor Subtotal per Cost Proposal	Total Hours per Cost Proposal	=	Avg Hourly Rate	5 Year Contract Duration
\$ 10,405.32	350	=	\$ 29.73	Year 1 Avg Hourly Rate

Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

Avg Hourly Rate	+	Proposed Escalation	=	Avg Hourly Rate	Year
\$ 29.73	+	2%	=	\$ 30.32	Year 2 Avg Hourly Rate
\$ 30.32	+	2%	=	\$ 30.93	Year 3 Avg Hourly Rate
\$ 30.93	+	2%	=	\$ 31.55	Year 4 Avg Hourly Rate
\$ 31.55	+	2%	=	\$ 32.18	Year 5 Avg Hourly Rate

Calculate estimated hours per year (Multiply estimate % each year by total hours)

Estimated % Completed Each Year	*	Total Hours per Cost Proposal	=	Total Hours per Year	Estimated Hours Year
20.00%	*	350.0	=	70.0	Estimated Hours Year
40.00%	*	350.0	=	140.0	Estimated Hours Year
15.00%	*	350.0	=	52.5	Estimated Hours Year
15.00%	*	350.0	=	52.5	Estimated Hours Year
10.00%	*	350.0	=	35.0	Estimated Hours Year
Total 100%		Total	=	350.0	

Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)

Avg Hourly Rate (calculated above)	*	Estimated hours (calculated above)	=	Cost per Year	Estimated Hours Year
\$ 29.73	*	70	=	\$ 2,081.06	Estimated Hours Year
\$ 30.32	*	140	=	\$ 4,245.37	Estimated Hours Year
\$ 30.93	*	53	=	\$ 1,623.85	Estimated Hours Year
\$ 31.55	*	53	=	\$ 1,656.33	Estimated Hours Year
	*	35	=	\$ -	Estimated Hours Year
Total Direct Labor Cost with Escalation			=	\$ 9,606.62	
Direct Labor Subtotal before Escalation			=	\$ 10,405.32	
Estimated total of Direct Labor Salary Increase			=	\$ (798.70)	Transfer to Page 1

NOTES:

1. This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.

Certification of Direct Costs:

The undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

Costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Local governments are responsible for applying only cognizant agency or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Subconsultant Certifying:

Name: Gladys Cornell Title *: President

Signature:  Date of Certification: 10/23/2020

Email: gcornell@aimconsultingco.com Phone number: (916) 442-1168

Address: 2523 J. Street, Suite 202, Sacramento, CA 95816

* An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

What services the consultant is providing under the proposed contract:

**EXHIBIT 10-K CONSULTANT ANNUAL CERTIFICATION OF
INDIRECT COSTS AND FINANCIAL MANAGEMENT SYSTEM**

(Note: If a Safe Harbor Indirect Cost Rate is approved, this form is not required.)

Consultant Full Legal Name: Consultants, Inc.
A I M

Imports Consultant means the individual or consultant providing engineering and design related services as a party to a contract with a recipient or sub-recipient of Federal assistance. Therefore, the Indirect Cost Rate shall not be combined with its parent company or subsidiaries.

Indirect Cost Rate:

Combined Rate 207 % OR

Home Office Rate _____ % an Field Office Rate (if applicable) _____ %

Facilities Capital Cost of Money _____ % (if applicable)

Fiscal period: 01/01/2019 - 12/31/2019

- Fiscal period is annual on year applicable accounting period that the Indirect Cost Rate was developed (not the contract period). The Indirect Cost Rate is based on the consultant one-year applicable accounting period for which financial statements are regularly prepared by the consultant.

I have reviewed the proposal to establish an Indirect Cost Rate for the fiscal period as specified above and have determined to the best of my knowledge and belief that:

- All costs included in the cost proposal to establish the indirect cost rate are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) 48, Code of Federal Regulation (CFR Chapter 1, Part 31 (48 CFR Part 31));
- The cost proposal does not include any costs which are expressly unallowable under the cost principles of 48 CFR Part 31;
- The accounting treatment and billing of prevailing wage delta costs are consistent with our prevailing wage policy as either direct labor indirect cost or other direct costs on all federal funded A&E Consultant Contracts
- All known material transactions or events that have occurred subsequent to year-end affecting the consultant ownership organization and indirect cost rate have been disclosed as of the date of this certification.

I am providing the required supporting documents as instructed on Exhibit 10-A.

Financial Management System

Our labor charging, job cost and accounting systems meet the standards for financial reporting, accounting records, an internal control adequate to demonstrate the costs claimed have been incurred, appropriate accounting for are allocated to the contract, and comply with the federal requirements as set forth in [Title 23 United States Code \(U.S.C.\) Section 112\(a\)\(2\); 48 CFR Part 31.201-2\(d\); 23 CFR, Chapter 1, Part 172.1\(h\)\(2\)](#); and all applicable state and federal rules and regulations.

Our financial management system has the following attributes

- Account numbers identify allowable direct, indirect, and unallowable cost accounts
- Ability to accumulate and segregate allowable direct, indirect, and unallowable costs into separate cost

Stimell

Mark-ups are Not Allowed

Prime Consultant

Subconsultant

2nd Tier Subconsultant

Consultant: Argonaut Ecological, Inc.

Project No. _____ Contract No. _____

Date 10/29/2020

DIRECT LABOR

Classification/Title	Name	Range	Hours	Actual Hourly Rate	Total
Biologist	Kathy Kinsland	\$50 - \$65	128	\$ 59.00	\$ 7,552.00
					\$ -
					\$ -
					\$ -
					\$ -
					\$ -

LABOR COSTS

Subtotal Direct Labor Costs \$ 7,552.00

Anticipated Salary Increases (see page 2 for calculation) \$ -

c) TOTAL DIRECT LABOR COSTS [(a) + (b)] \$ 7,552.00

INDIRECT COSTS

Fringe Benefits (Rate: _____) e) Total Fringe Benefits [(c) x (d)] \$ -

Overhead & G&A (Rate: 110.00%) g) Overhead [(c) x (f)] \$ 8,307.20

General & Admin (Rate: 0%) i) Gen & Admin [(c) x (h)] \$ -

j) TOTAL INDIRECT COSTS [(e) + (g) + (i)] \$ 8,307.20

FIXED FEE

k) TOTAL FIXED FEE [(c) + (j)] x fixed fee: 5% \$ 792.90

CONSULTANT'S OTHER DIRECT COSTS (ODC) - ITEMIZE (Add additional pages if necessary)

Description of Item	Quantity	Unit	Unit Cost	Total
Cultural Resources	1	lump sum	\$ 10,000.00	\$ 10,000.00
				\$ -
				\$ -
l) TOTAL OTHER DIRECT COSTS				\$ 10,000.00

SUBCONSULTANTS' COSTS (Add additional pages if necessary)

Subconsultant 1: _____

Subconsultant 2: _____

Subconsultant 3: _____

Subconsultant 4: _____

m) TOTAL SUBCONSULTANTS' COSTS \$ -

n) TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS [(l) + (m)] \$ 10,000.00

TOTAL COST [(c) + (j) + (k) + (n)] \$ 26,652.10

NOTES:

1. Key personnel must be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.

CALCULATIONS FOR ANTICIPATED SALARY INCREASES

Consultant Argonaut Ecological, Inc.

Project No. _____ Contract No. _____

Date 10/29/2020

Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

Direct Labor <u>Subtotal</u> per Cost Proposal	Total Hours per Cost Proposal	=	Avg Hourly Rate	5 Year Contract Duration
\$ 7,552.00	128	=	\$ 59.00	Year 1 Avg Hourly Rate

Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

Year	Avg Hourly Rate	+	Proposed Escalation	=	Year	Avg Hourly Rate	5 Year Contract Duration
Year 1	\$ 59.00	+	5%	=	\$ 61.95	Year 2 Avg	Hourly Rate
Year 2	\$ 61.95	+	5%	=	\$ 65.05	Year 3 Avg	Hourly Rate
Year 3	\$ 65.05	+	5%	=	\$ 68.30	Year 4 Avg	Hourly Rate
Year 4	\$ 68.30	+	5%	=	\$ 71.71	Year 5 Avg	Hourly Rate

Calculate estimated hours per year (Multiply estimate % each year by total hours)

Year	Estimated % Completed Each Year	*	Total Hours per Cost Proposal	=	Total Hours per Year	Estimated Hours Year
Year 1	40.00%	*	128.0	=	51.2	Estimated Hours Year
Year 2	30.00%	*	128.0	=	38.4	Estimated Hours Year
Year 3	30.00%	*	128.0	=	38.4	Estimated Hours Year
Year 4	0.00%	*	128.0	=	0.0	Estimated Hours Year
Year 5	0.00%	*	128.0	=	0.0	Estimated Hours Year
Total	100%		Total	=	128.0	

Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)

Year	Avg Hourly Rate (calculated above)	*	Estimated hours (calculated above)	=	Cost per Year	Estimated Hours Year
Year 1	\$ 59.00	*	51	=	\$ 3,020.80	Estimated Hours Year
Year 2	\$ 61.95	*	38	=	\$ 2,378.88	Estimated Hours Year
Year 3	\$ 65.05	*	38	=	\$ 2,497.82	Estimated Hours Year
Year 4	\$ 68.30	*	0	=	\$ -	Estimated Hours Year
Year 5	\$ -	*	0	=	\$ -	Estimated Hours Year
Total Direct Labor Cost with Escalation				=	\$ 7,897.50	
Direct Labor Subtotal before Escalation				=	\$ 7,552.00	
Estimated total of Direct Labor Salary Increase				=	\$ 345.50	Transfer to Page 1

NOTES:

- This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.

Certification of Direct Costs:

The undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

Indirect costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and must be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Local governments are responsible for applying only cognizant agency or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Subconsultant Certifying:

Name: Argonaut Ecological Consulting, Inc.

Title *: President

Signature:  _____

Date of Certification: 10/29/2020

Email: kathy@argoconsult.net

Phone number: (916) 803-1454

Address: 2377 Gold Meadow Way, Suite 100, Gold River, CA 95670

* An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

What services the consultant is providing under the proposed contract:



**SAFE HARBOR RATE
CONSULTANT CERTIFICATION OF ELIGIBILITY;
CONTRACT COSTS AND
FINANCIAL MANAGEMENT SYSTEM**

Consultant Firm Name: Argonaut Ecological Consulting, Inc.

Local Agency (if applicable): City of Rocklin, CA

Contract # (if applicable): _____

Federal Project #: _____

Contract Total: \$ _____

For Subconsultants - estimated % of work to be performed: TBD %

Safe Harbor Rate (Indirect Cost Rate): **110%**

CERTIFICATION OF ELIGIBILITY:

I, the undersigned, certify that I am eligible to use the safe harbor indirect cost rate as I:


1. Do not have relevant contract cost history to use as a base for developing a Federal Acquisition Regulations (FAR) of Title 48, Code of Federal Regulations (CFR), Part 31 compliant indirect cost rate (ICR).

OR

1. Do not have a previously accepted ICR by a cognizant agency, or with an audited/accepted actual ICR, and do not have an existing contract with a provisional rate
2. Am not a Prime Consultant on a Caltrans' contract \geq \$3.5M OR Local Government contract \geq \$1M, regardless of the participation amount.

CERTIFICATION OF FINANCIAL MANAGEMENT SYSTEM:

I, the undersigned, certify that our financial management system in place for this contract and moving forward meets the standards for the Safe Harbor Rate requirements and financial reporting, accounting records, internal and budget control as set forth in the FAR of Title 49, CFR, Part 18.20. These standards require consulting firms have an accounting system adequate to accumulate, and track allowable, allocable, and reasonable direct labor and other direct costs by contract; segregate indirect costs, and remove unallowable costs.

* Consultant Certification Signature: 
(Sign in blue ink only)

Consultant Certifying (Print): Kathy Kinsland

Name: Kathy Kinsland

Title: President

Consultant Contact Information:

Email: kathy@argoconsult.net

Phone: 916.8803.1454

Business Mailing Address: 2377 Gold Meadow Way, Suite 100
Gold River, CA 95670

Date of Certification: October 22, 2019

*An executive or financial officer of the contractor’s organization who has authority to represent the financial information utilized to establish the proposal submitted in conjunction with the contract.

ALSO REQUIRED IF PARTICIPATING ON A CALTRANS’ CONTRACT

Attach a copy of your completed:

Safe Harbor Rate Questionnaire for Evaluating Consultant’s Financial Management System

Safe Harbor Rate
Questionnaire for Evaluating Consultant's Financial Management System

Consultant Name: Argonaut Ecological Consulting, Inc.

Headquarter Address: 2377 Gold Meadow Way, Suite 100
Gold River, CA 95670

Location of Accounting Records: 2377 Gold Meadow Way, Suite 100 Gold River CA 95670

Name: Kathy Kinsland Title: President

Email: kathy@argoconsult.net Phone: 916.803.1454

Mailing Address: 2377 Gold Meadow Way, Suite 100
Gold River, CA 95670

To be eligible for a Safe Harbor Rate the Consultant's financial management system must be adequate to accumulate and track direct labor and other direct costs by contract, segregate indirect costs, and remove unallowable costs in accordance with 48 CFR Part 31.

Instructions:

1. This questionnaire should be completed by personnel (e.g. accounting staff) with working knowledge of the Consultant (Company)'s financial management system.
2. Answer all questions and provide an explanation and additional supporting documentation where requested.
3. If additional space is required, please attach a separate sheet and refer to items being answered by number.

References:

Title 48 Code of Federal Regulations (CFR) Part 31 -Federal cost principles (48 CFR Part 31)
Title 48 CFR Chapter 99, Subchapter B - Procurement Practices and Cost Accounting Standards
Title 23 United States Code (U.S.C.), Chapter 1, Section 112 - Letting of Contracts
Title 23 CFR, Chapter 1, Part 172 - Procurement, Management, and Administration of Engineering and Design Related Services
American Association of State Highway and Transportation Officials (AASHTO) Uniform Audit & Accounting Guide (2016 Edition)

Definition of Terms:

Direct cost is any cost that is identified specifically with a particular cost objective. Direct costs are not limited to items that are incorporated in the end products as material or labor. Costs identified specifically with a contract are direct costs of that contract. All costs identified with other final cost objectives of the contractor are direct costs of those objectives. (48 CFR Part 31.202)

Indirect or overhead cost is any cost that is not directly identified with a single final cost objective, but is identified with two or more final cost objectives or with at least one intermediate cost objective. (48 CFR Part 31.203)

Has the Company developed an indirect cost rate in the past? Yes No

If "Yes," you are not eligible to use the Safe Harbor Rate. Do not continue with this Questionnaire and please complete the AASHTO Appendix-B ICQ and provide an ICR Schedule.

Is the Company a Prime Consultant on a Caltrans' contract ≥ \$3.5M OR Local Government contract ≥ \$1M, regardless of the participation amount? Yes No

If "Yes," you are not eligible to use the Safe Harbor Rate. Do not continue with this Questionnaire and please complete the AASHTO Appendix-B ICQ and provide an **Audited** ICR Report.

1. What form of business entity is the Company?

Sole Proprietorship Partnership C Corporation S Corporation

Other _____

2. What types of services will the Company provide for this contract? (Select all that apply.)

<input type="checkbox"/> Architectural and Engineering services	<input type="checkbox"/> Program Management
<input type="checkbox"/> Preliminary Engineering	<input type="checkbox"/> Design Engineering
<input type="checkbox"/> Surveying	<input type="checkbox"/> Feasibility Studies
<input type="checkbox"/> Mapping or Architectural related services	<input checked="" type="checkbox"/> Other <small>Regulatory compliance, permitting, stormwater inspections, biological surveys</small> _____

3. Does the Company have prior government contracting experience? Yes No

4. Does the general ledger contain separate direct and indirect accounts for the following?

• Labor Yes No • Non-Labor Yes No

Note: This will support that all direct costs are accounted for and traceable from the job cost ledger to the general ledger.

5. Do you have written policies on the following cost categories?

• Accounting	Yes No <input checked="" type="checkbox"/>	• Overtime	Yes No <input checked="" type="checkbox"/>
• Billing	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	• Direct/Indirect Expenses	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
• Timesheet Preparation	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	• Prevailing Wage	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

6. What types of employee status will the Company provide for this contract?

Non-exempt Exempt-salaried Exempt-hourly Contract Employee
Other Subcontractor

7. Premium Overtime. Does the Company pay overtime at a premium to any employees?

Yes No

If yes, answer questions below. If no, continue to question 8.

• What premium rate is paid for Non-Exempt employees:

Time-and-a-half and double-time Straight rate

Other (Please explain) _____

• What premium rate is paid for Exempt-Hourly employees:

Time-and-a-half and double-time Straight rate

Other (Please explain) _____

• How is premium overtime accounted for and billed?

As part of Direct Labor (overhead is applied) As an indirect labor cost (included in the indirect cost rate and not directly billed)

As an Other Direct Cost (no overhead applied) Other _____
(Please explain)

8. Is indirect and direct labor separated by contract/project/cost objectives on employee timesheets with reporting codes?

Yes No

9. Are contracts/projects assigned a unique identification/project number in your accounting system?

Yes No

10. Besides labor, does the Company normally bill/invoice the following as direct contract/project costs? (Select all that apply.)

Vehicle

Shipping

Computer/CADD

Lab

Printing

Travel

Specialty Equipment
(List Below)

Other (List Below)

10a. Is Vehicle normally billed/invoiced as a direct contract/project costs? Yes No

- Are mileage logs maintained for all vehicles? If "No," please explain below.

Explanation: Vehicle used is factored into loaded rate.

- What is the recovery/billing rate used for Company or personal vehicle mileage reimbursement?

\$ _____ per mile

I certify that to the best of my knowledge and belief the responses to this questionnaire are accurate.

Print Name: Kathy Kinsland

Signature: 
(Sign in blue ink only)

Title: President

Date Completed: 10/22/2019

Note: Mark-ups are Not Allowed

Prime Consultant

Subconsultant

2nd Tier Subconsultant

Consultant: ESP Surveying, Inc.

Project No. _____ Contract No. _____

Date 10/29/2020

DIRECT LABOR

Classification/Title	Name	Hours	Actual Hourly Rate	Total
Two Person Field Crew		80.00	\$ 105.26	\$ 8,420.40
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -

LABOR COSTS

Subtotal Direct Labor Costs	\$ 8,420.40
Anticipated Salary Increases (see page 2 for calculation)	\$ -
c) TOTAL DIRECT LABOR COSTS [(a) + (b)]	\$ 8,420.40

DIRECT COSTS

Fringe Benefits (Rate: <u>66.60%</u>)	e) Total Fringe Benefits [(c) x (d)]	\$ 5,607.99
Overhead & G&A (Rate: <u>0.00%</u>)	g) Overhead [(c) x (f)]	\$ -
General & Admin (Rate: <u>146.38%</u>)	i) Gen & Admin [(c) x (h)]	\$ 12,325.78
	j) TOTAL INDIRECT COSTS [(e) + (g) + (i)]	\$ 17,933.77
	k) TOTAL FIXED FEE [(c) + (j)] x fixed fee: 10%	\$ 2,635.44

CONSULTANT'S OTHER DIRECT COSTS (ODC) - ITEMIZE (Add additional pages if necessary)

Description of Item	Quantity	Unit	Unit Cost	Total
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
l) TOTAL OTHER DIRECT COSTS				\$ -

m) SUBCONSULTANTS' COSTS (Add additional pages if necessary)

Subconsultant 1:	\$ -
Subconsultant 2:	\$ -
Subconsultant 3:	\$ -
Subconsultant 4:	\$ -

m) TOTAL SUBCONSULTANTS' COSTS \$ -

n) TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS [(l) + (m)] \$ -

TOTAL COST [(c) + (j) + (k) + (n)] \$ 28,989.51

CALCULATIONS FOR ANTICIPATED SALARY INCREASES

Consultant ESP Surveying, Inc.

Project No. _____ Contract No. _____

Date 10/29/2020

Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

Direct Labor <u>Subtotal</u> per Cost Proposal		Total Hours per Cost Proposal		Avg Hourly Rate		5 Year Contract Duration - Year 1 Avg Hourly Rate
		80	=	\$		

Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

	Avg Hourly Rate		Proposed Escalation			
Year 1	\$ -	+	2%	=	\$	- Year 2 Avg Hourly Rate
Year 2	\$ -	+	2%	=	\$	- Year 3 Avg Hourly Rate
Year 3	\$ -	+	2%	=	\$	- Year 4 Avg Hourly Rate
Year 4	\$ -	+	2%	=	\$	- Year 5 Avg Hourly Rate

Calculate estimated hours per year (Multiply estimate % each year by total hours)

	Estimated % Completed Each Year		Total Hours per Cost Proposal			Total Hours per Year	
Year 1	20.00%	*	80.0	=	16.0		Estimated Hours Year 1
Year 2	40.00%	*	80.0	=	32.0		Estimated Hours Year 2
Year 3	15.00%	*	80.0	=	12.0		Estimated Hours Year 3
Year 4	15.00%	*	80.0	=	12.0		Estimated Hours Year 4
Year 5	10.00%	*	80.0	=	8.0		Estimated Hours Year 5
Total	100%		Total	=	80.0		

Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)

	Avg Hourly Rate (calculated above)		Estimated hours (calculated above)			Cost per Year	
Year 1	\$ -	*	16	=	\$		- Estimated Hours Year 1
Year 2	\$ -	*	32	=	\$		- Estimated Hours Year 2
Year 3	\$ -	*	12	=	\$		- Estimated Hours Year 3
Year 4	\$ -	*	12	=	\$		- Estimated Hours Year 4
Year 5		*	8	=	\$		- Estimated Hours Year 5
	Total Direct Labor Cost with Escalation			=	\$		-
	Direct Labor Subtotal before Escalation			=	\$		-
	Estimated total of Direct Labor Salary Increase			=	\$		- Transfer to Page 1

NOTES:

1. This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.

EXHIBIT 10-H2 COST PROPOSAL

Certification of Direct Costs:


I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

- 7. Generally Accepted Accounting Principles (GAAP)
- 8. Terms and conditions of the contract
- 9. [Title 23 United States Code Section 112](#) - Letting of Contracts
- 10. [48 Code of Federal Regulations Part 31](#) - Contract Cost Principles and Procedures
- 11. [23 Code of Federal Regulations Part 172](#) - Procurement, Management, and Administration of Engineering and Design Related
- 12. [48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board](#) (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Prime Consultant or Subconsultant Certifying:

Name: Joanne Espinosa Title *: CFO

Signature:  Date of Certification (mm/dd/yyyy): 10/29/2020

Email: info@espls.com Phone Number: 559-442-0883

Address: 2598 N. Miami Avenue Fresno, CA 93727

* An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

Land Surveying

**EXHIBIT 10-K CONSULTANT ANNUAL CERTIFICATION OF
INDIRECT COSTS AND FINANCIAL MANAGEMENT SYSTEM**

(Note: If a Safe Harbor Indirect Cost Rate is approved, this form is not required.)

Consultant's Full Legal Name: ESP Surveying, Inc.

Important: Consultant means the individual or consultant providing engineering and design related services as a party of a contract with a recipient or sub-recipient of Federal assistance. Therefore, the Indirect Cost Rate(s) shall not be combined with its parent company or subsidiaries.

Indirect Cost Rate:

Combined Rate 212.98 % OR

Home Office Rate _____ % and Field Office Rate (if applicable) _____ %

Facilities Capital Cost of Money _____ % (if applicable)

Fiscal period * 01/01/2019-12/31/2019

* Fiscal period is annual one year applicable accounting period that the Indirect Cost Rate was developed (not the contract period). The Indirect Cost Rate is based on the consultant's one-year applicable accounting period for which financial statements are regularly prepared by the consultant.

I have reviewed the proposal to establish an Indirect Cost Rate(s) for the **fiscal period** as specified above and have determined to the best of my knowledge and belief that:

- All costs included in the cost proposal to establish the indirect cost rate(s) are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) 48, Code of Federal Regulations (CFR), Chapter 1, Part 31 (48 CFR Part 31);
- The cost proposal does not include any costs which are expressly unallowable under the cost principles of 48 CFR Part 31;
- The accounting treatment and billing of prevailing wage delta costs are consistent with our prevailing wage policy as either direct labor, indirect costs, or other direct costs on all federally-funded A&E Consultant Contracts.
- All known material transactions or events that have occurred subsequent to year-end affecting the consultant's ownership, organization, and indirect cost rates have been disclosed as of the date of this certification.

I am providing the required and applicable documents as instructed on Exhibit 10-A.

Financial Management System:

Our labor charging, job costing, and accounting systems meet the standards for financial reporting, accounting records, and internal control adequate to demonstrate that costs claimed have been incurred, appropriately accounted for, are allocable to the contract, and comply with the federal requirements as set forth in [Title 23 United States Code \(U.S.C.\) Section 112\(b\)\(2\); 48 CFR Part 31.201-2\(d\); 23 CFR, Chapter 1, Part 172.11\(a\)\(2\)](#); and all applicable state and federal rules and regulations.

Our financial management system has the following attributes:

- Account numbers identifying allowable direct, indirect, and unallowable cost accounts;
- Ability to accumulate and segregate allowable direct, indirect, and unallowable costs into separate cost

accounts;

- Ability to accumulate and segregate allowable direct costs by project, contract and type of cost;
- Internal controls to maintain integrity of financial management system;
- Ability to account and record costs consistently and to ensure costs billed are in compliance with FAR;
- Ability to ensure and demonstrate costs billed reconcile to general ledgers and job costing system; and
- Ability to ensure costs are in compliance with contract terms and federal and state requirement

Cost Reimbursements on Contracts:

I also understand that failure to comply with 48 CFR Part 16.301-3 or knowingly charge unallowable costs to Federal-Aid Highway Program (FAHP) contracts may result in possible penalties and sanctions as provided by the following:


- Sanctions and Penalties - [23 CFR Part 172.11\(c\)\(4\)](#)
- False Claims Act - [Title 31 U.S.C. Sections 3729-3733](#)
- Statements or entries generally - [Title 18 U.S.C. Section 1001](#)
- Major Fraud Act - [Title 18 U.S.C. Section 1031](#)

All A&E Contract Information:

- Total participation amount \$ 500,000 on all State and FAHP contracts for Architectural & Engineering services that the consultant received in the last three fiscal periods.
- The number of states in which the consultant does business is one.
- Years of consultant’s experience with 48 CFR Part 31 is .
- Audit history of the consultant’s current and prior years (if applicable)

<input type="checkbox"/> Cognizant ICR Audit	<input type="checkbox"/> Local Gov’t ICR Audit	<input type="checkbox"/> Caltrans ICR Audit
<input type="checkbox"/> CPA ICR Audit	<input type="checkbox"/> Federal Gov’t ICR Audit	

I, the undersigned, certify all of the above to the best of my knowledge and belief and that I have reviewed the Indirect Cost Rate Schedule to determine that any costs which are expressly unallowable under the Federal cost principles have been removed and comply with [Title 23 U.S.C. Section 112\(b\)\(2\)](#), [48 CFR Part 31](#), [23 CFR Part 172](#), and all applicable state and federal rules and regulations. I also certify that I understand that all documentation of compliance must be retained by the consultant. I hereby acknowledge that costs that are noncompliant with the federal and state requirements are not eligible for reimbursement and must be returned to Caltrans.

Name**: Joanne Espinosa Title**: CFO
 Signature:  Date of Certification (mm/dd/yyyy): 11/11/2020
 Email**: info@espls.com Phone Number**: 559-442-0883

**An individual executive or financial officer of the consultant’s or subconsultant’s organization at a level no lower than a Vice President, a Chief Financial Officer, or equivalent, who has authority to represent the financial information used to establish the indirect cost rate.

Note: ***Both prime and subconsultants as parties of a contract must complete their own Exhibit 10-K forms. Caltrans will not process local agency’s invoices until a complete Exhibit 10-K form is accepted and approved by Caltrans Audits and Investigations.***

Distribution: 1) Original - Local Agency Project File
 2) Copy - Consultant
 3) Copy - Caltrans Audits and Investigations

EXHIBIT 10-H1 COST PROPOSAL (Page 1 of 3)
ACTUAL COST-PLUS-FIXED FEE OR LUMP SUM (FIRM FIXED PRICE) CONTRACTS
 (DESIGN, ENGINEERING, AND ENVIRONMENTAL STUDIES)

Note: Mark-ups are Not Allowed | Prime Consultant Subconsultant Tier Subconsultant Tier Subconsultant

Consultant Sierra Geotech DBE Inc

Project No. Rocklin Rd and Pacific St Roundabout Contract No. _____ Date 10/26/2020

DIRECT LABOR

Classification/Title	Name	Hours	Actual Hourly Rate	Total
Senior Project Manager II	Shaun Vemuri	32.0	\$ 60.00	\$ 1,920.00
Senior Inspector II (PW)	Hector Avelica	102.0	\$ 47.17	\$ 4,811.34
Senior Inspector II (PW)	To be confirmed	102.0	\$ 47.17	\$ 4,811.34
Lab Tester II	To be confirmed	48.0	\$ 35.71	\$ 1,714.08
Lab Tester I	To be confirmed	48.0	\$ 33.73	\$ 1,619.04
Senior Operations Administrator II	To be confirmed	12.0	\$ 53.57	\$ 642.84
Principal Geotechnical Engineer	Rob Lawrence	18.0	\$ 57.69	\$ 1,038.46
				\$ -
				\$ -
				\$ -
				\$ -
Total:				\$ 16,557.10

LABOR COSTS

a) Subtotal Direct Labor Costs \$ 16,557.10

b) Anticipated Salary Increases (see page 2 for calculations) \$ 372.53

c) **TOTAL DIRECT LABOR COSTS [(a) + (b)]** \$ 16,929.64

INDIRECT COSTS

d) Fringe Benefits Rate: _____ e) Total fringe benefits [(c) x (d)] \$ -

Overhead (Claiming SHR Rate) Rate: 110.00% g) Overhead [(c) x (f)] \$ 18,622.60

h) General and Administrative Rate: _____ i) Gen & Admin [(c) x (h)] \$ -

j) **TOTAL INDIRECT COSTS [(e) + (g) + (i)]** \$ 18,622.60

FIXED FEE

k) **TOTAL FIXED FEE [(c) + (j)] x fixed fee 10.00%** \$ 3,555.22

l) CONSULTANT'S OTHER DIRECT COSTS (ODC) - ITEMIZE (Add additional pages if necessary)

Description of Item	Quantity	Unit	Unit Cost	Total
Transportation	0	Miles	\$ 0.58	\$ -
QA Level Lab Testing (See Additional Page)	1	Test	\$ 10,436.43	\$ 10,436.43
				\$ -
				\$ -

l) **TOTAL OTHER DIRECT COSTS** \$ 10,436.43

m) SUBCONSULTANTS' COSTS (Add additional pages if necessary)

Subconsultant 1: _____

Subconsultant 2: _____ \$ -

Subconsultant 3: _____ \$ -

Subconsultant 4: _____ \$ -

m) **SUBCONSULTANTS' COSTS** \$ -

n) **TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS [(l) + (m)]** \$ 10,436.43

TOTAL COST [(c) + (j) + (k) + (n)] \$ 49,543.89

NOTES:

- Key personnel must be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
- The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accept by Caltrans.
- Anticipated salary increases calculations (page 2) must accompany.

1) CONSULTANT'S OTHER DIRECT COSTS (ODC) - ITEMIZE (Add additional pages if necessary)

Description of Item	Quantity	Unit	Unit Cost	Total
CT 216 Relative Compaction	3	Test	\$ 394.29	\$ 1,182.87
CT 382 Asphalt Binder Content	2	Test	\$ 455.00	\$ 910.00
CT 366 Stability	2	Test	\$ 215.00	\$ 430.00
CT 226 Moisture Content - Soils and Aggregates	9	Test	\$ 32.79	\$ 295.07
CT 202 Sieve Analysis of Aggregate	2	Test	\$ 126.01	\$ 252.01
CT 227 Cleanness Value	2	Test	\$ 175.00	\$ 350.00
CT 217 Sand Equivalent	2	Test	\$ 97.17	\$ 194.34
CT 309 Theoretical Max. Sp. Gravity	2	Test	\$ 396.55	\$ 793.10
CT 207 Bulk Specific Gravity and Absorption	2	Test	\$ 165.00	\$ 330.00
CT 229 Durability Index	2	Test	\$ 210.00	\$ 420.00
CT 301 R-Value	1	Test	\$ 365.25	\$ 365.25
CT 521 Compressive Strength - PCC	26	Test	\$ 60.83	\$ 1,581.58
CT 523 Flexural Strength of Concrete	2	Test	\$ 125.61	\$ 251.22
CT 539 Sampling Fresh Concrete	26	Test	\$ 39.50	\$ 1,027.00
CT 540 Making Cylinders - PCC	26	Test	\$ 39.50	\$ 1,027.00
CT 556 Slump - PCC	26	Test	\$ 39.50	\$ 1,027.00

1) TOTAL OTHER DIRECT COSTS \$ 10,436.43

EXHIBIT 10-H1 COST PROPOSAL (Page 2 of 3)
ACTUAL COST-PLUS-FIXED FEE OR LUMP SUM (FIRM FIXED PRICE) CONTRACTS
(CALCULATIONS FOR ANTICIPATED SALARY INCREASES)

1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

Direct Labor Subtotal per Cost Proposal	/	Total Hours per Cost Proposal	=	Avg Hourly Rate	5 Year Contract Duration Year 1 Avg Hourly Rate
\$16,557.10		362.0		\$45.74	

2. Calculate hourly rate for all years (Increase the Average hourly rate for a year by proposed escalation %)

	Avg Hourly Rate	+	Proposed Escalation	=		
Year 1	\$45.74		3.0%		\$47.11	Year 2 Avg Hourly Rate
Year 2	\$47.11		3.0%		\$48.52	Year 3 Avg Hourly Rate
Year 3	\$48.52		3.0%		\$49.98	Year 4 Avg Hourly Rate
Year 4	\$49.98		3.0%		\$51.48	Year 5 Avg Hourly Rate

3. Calculate estimated hours per year (Multiply estimate % each year by total hours)

	Estimated % Completed Each Year	*	Total Hours per Cost Proposal	=	Total Hours per Year	
Year 1	25%		362.0		90.5	Estimated Hours Year 1
Year 2	75%		362.0		271.5	Estimated Hours Year 2
Year 3	0%		362.0		0.0	Estimated Hours Year 3
Year 4	0%		362.0		0.0	Estimated Hours Year 4
Year 5	0%		362.0		0.0	Estimated Hours Year 5
Total	100%		Total		362.0	

4. Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)

	Avg Hourly Rate (calculated above)	*	Estimated hours (calculated above)	=	Cost per Year	
Year 1	\$ 45.74		90.5		\$4,139.28	Estimated Hours Year 1
Year 2	\$ 47.11		271.5		\$12,790.36	Estimated Hours Year 2
Year 3	\$ 48.52		0.0		\$0.00	Estimated Hours Year 3
Year 4	\$ 49.98		0.0		\$0.00	Estimated Hours Year 4
Year 5	\$ 51.48		0.0		\$0.00	Estimated Hours Year 5
	Total Direct Labor Cost with Escalation			=	\$16,929.64	
	Direct Labor Subtotal before escalation			=	\$16,557.10	
	Estimated total of Direct Labor Salary Increase			=	\$372.53	Transfer to Page 1

NOTES:

1. This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.
2. An estimation that is based on direct labor multiplied by salary increase % multiplied by the # of years is not acceptable. (i.e. \$250,000 x 2% x 5 yrs = \$25,000 is not an acceptable methodology)
3. This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.
4. Calculations for anticipated salary escalation must be provided.

EXHIBIT 10-H1 COST PROPOSAL (Page 3 of 3)


Certification of Direct Costs

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

- 1 Generally Accepted Accounting Principles (GAAP)
- 2 Terms and conditions of the contract
- 3 Title 23 United States Code Section 112 - Letting of Contracts
- 4 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
- 5 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related Services
- 6 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement. Local governments are responsible for applying only cognizant agency approved or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Suconsultant Certifying:

Name:	<u>Shaun Vemuri, PE</u>	Title*:	<u>Managing Principal</u>
Signature:		Date of Certification (mm/dd/yyyy):	<u>9/29/2020</u>
Email:	<u>shaun@sierrageotech.com</u>	Phone Number:	<u>9169342167</u>
Address:	<u></u>		

*An individual executive or financial officer of the consultant’s or subconsultant’s organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under this proposed contract:

QA Materials Testing on behalf of the Project Owner



SAFE HARBOR RATE
CONSULTANT CERTIFICATION OF ELIGIBILITY; AND CONTRACT COSTS AND FINANCIAL
MANAGEMENT SYSTEM
FOR FEDERAL-AID HIGHWAY PROJECTS

Consultant Firm Name: _____ Sierra Geotech DBE Inc _____

Local Agency (if applicable): _____

Contract # (if applicable): _____

Federal Project #: _____

Contract Total: \$ _____

For Subconsultants - estimated % of work to be performed: _____%

Safe Harbor Rate (Indirect Cost Rate): **110%**

Certification of Eligibility:

I, the undersigned, certify that I am eligible to use the safe harbor indirect cost rate as I:

1. Do not have relevant contract cost history to use as a base for developing a Federal Acquisition Regulations (FAR) of Title 48, Code of Federal Regulations (CFR), Part 31 compliant indirect cost rate (ICR).

OR

2. Do not have a previously accepted ICR by a cognizant agency, or with an audited/accepted actual ICR, and do not have an existing contract with a provisional rate.

Certification of Contract Costs:

I, the undersigned, certify that I have reviewed the proposal for the above contract and to the best of my knowledge and belief:

1. All costs included in this proposal are allowable in accordance with the Safe Harbor Rate requirements and cost principles of the FAR of 48 CFR Part 31.
2. This proposal does not include any costs which are expressly unallowable with the Safe Harbor Rate requirements and cost principles of the FAR of 48 CFR Part 31.
3. All direct costs (direct labor/billing rates and other direct costs) included in this proposal are reasonable, allowable, and allocable to the contract in accordance with the Safe Harbor Rate requirements and cost principles of the FAR of 48 CFR Part 31.

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files for 3 years after final voucher of federal reimbursement.

Certification of Financial Management System:

I, the undersigned, certify that our financial management system in place for this contract and moving forward meets the standards for the Safe Harbor Rate requirements and financial reporting, accounting records, internal and budget control as set forth in the FAR of Title 49,



CFR, Part 18.20. These standards require consulting firms have an accounting system adequate to accumulate, and track allowable, allocable, and reasonable direct labor and other direct costs by contract; segregate indirect costs, and remove unallowable costs.

DocuSigned by:
Shaun Vemuri
75D95820E21B4AF

* Consultant Certification Signature: _____

Consultant Certifying (Print): _____ Sierra Geotech DBE Inc _____

Name: Shaun Vemuri Title: Managing Principal

Consultant Contact Information:

Email: shaun@sierrageotech.com Phone: 916.917.6673

Business Mailing Address: 2250 Sierra Meadows, Ste A, Rocklin, CA 95677

Date of Certification: 5/28/2020

*An executive or financial officer of the contractor's organization who has authority to represent the financial information utilized to establish the proposal submitted in conjunction with the contract.

ALSO REQUIRED

Attach a copy of your completed:

Safe Harbor Rate Questionnaire for Evaluating Consultant's Financial Management System

- Distribution:
- 1) Original to Caltrans A&I
 - 2) DPAC Contract Files or Local Agency Files
 - 3) Department (Caltrans) Project Files (if applicable)



Safe Harbor Rate Questionnaire for Evaluating Consultant's Financial Management System

Consultant Name: Sierra Geotech DBE, Inc _____
Headquarter Address: Rocklin, CA _____
Location of Accounting Records: Rocklin, CA _____
Company Contact for Accounting System Questions :
Name: Shaun Vemuri, PE _____
Title: Managing Principal _____
Phone Number: 916.917.6673 _____
Email Address: shaun@sierrageotech.com _____
Mailing Address: 2250 Sierra Meadows, STE-A, Rocklin, CA 95677 _____

Purpose:

This questionnaire is a tool for the Department of Transportation (Caltrans) to evaluate the adequacy of the Consultant's financial management system to accumulate and track direct labor and other direct costs by contract, segregate indirect costs, and remove unallowable costs.

Instructions:

1. This questionnaire should be completed by personnel (e.g. accounting staff) with working knowledge of the Consultant (Company)'s financial management system.
2. Answer all questions and provide an explanation and additional supporting documentation where requested.
3. For "No" responses, provide an explanation.
4. If additional space is required, please attach a separate sheet and refer to items being answered by number.

IT IS IMPORTANT TO BE AWARE THAT MANY REQUESTS FOR THE USE OF THE SAFE HARBOR INDIRECT COST RATE ARE DENIED DUE TO FAILURE TO PROPERLY COMPLETE THIS DOCUMENT.

References:

Title 48 Code of Federal Regulations (CFR) Part 31 -Federal cost principles (48 CFR Part 31)
Title 48 CFR Chapter 99, Subchapter B - Procurement Practices and Cost Accounting Standards
Title 23 United States Code (U.S.C.), Chapter 1, Section 112 - Letting of Contracts
Title 23 CFR, Chapter 1, Part 172 - Procurement, Management, and Administration of Engineering and Design Related Services
American Association of State Highway and Transportation Officials (AASHTO) Uniform Audit & Accounting Guide (2012 Edition)

Definition of Terms:

Cost objective is an agreement/contract, function or organizational subdivision, or other work unit for which the costs of processes, products, jobs, or projects are accumulated and measured. An "intermediate cost objective" is a cost objective used to accumulate costs that are subsequently allocated to one or more indirect cost pools and/or final cost objectives.

Direct cost is any cost that is identified specifically with a particular cost objective. Direct costs are not limited to items that are incorporated in the end products as material or labor. Costs identified specifically with a contract are direct costs of that contract. All costs identified with other final cost objectives of the contractor are direct costs of those objectives. (48 CFR Part 31.202)

Indirect or overhead cost is any cost that is not directly identified with a single final cost objective, but is identified with two or more final cost objectives or with at least one intermediate cost objective. (48 CFR Part 31.203)

Indirect cost pools are groupings of incurred costs identified with two or more cost objectives but not identified specifically with any final cost objectives. (48 CFR Part 31.001)



1. What form of business entity is the Company?

- Sole Proprietorship
 Partnership
 C Corporation
 S Corporation
 Other _____

2. What types of services will the Company provide for this contract? (e.g., architectural and engineering services, program management, construction management, feasibility studies, preliminary engineering, design engineering, surveying, mapping or architectural related services with respect to a highway construction project)

Civil, geotechnical and environmental consulting services _____

3. Does the Company have prior government contracting experience? Yes No
- If yes:
- a. Was the contract with a local agency, state agency, federal agency? Yes No
- If "Yes", please provide the performance period of the most recent contract.
- Beginning _____ Ending _____
- b. Was the contract(s) funded in whole or in part with Federal-aid highway funds? Yes No
- c. Did the company account for and bill costs in accordance with 48 CFR Part 31? Yes No
- If "No", please explain why not? _____

4. What is the company's fiscal reporting period? (Start Date January 1st End Date December 31st) _____

Has the company used the same fiscal reporting period for the past two years?

5. What kind of accounting software does the Company use?

- Internally-developed system
 Commercial System: Name of vendor Deltek Ajera _____
 Hybrid system: Please explain _____

6. What basis of accounting does the Company use to prepare general purpose financial statements?

- Cash
 Accrual
 Hybrid
 Please explain "Hybrid" _____

If response above is not "Accrual", are year end accrual adjustments made for compliance with generally accepted accounting principles? Yes No

If yes, please provide a listing of the accrual adjustments made.

7. Does the general ledger contain separate direct and indirect accounts for the following?

Note: Billable means labor, materials costs and other reimbursable costs and items that are stipulated in the contract and are in compliance with the Federal regulations.

- | | | |
|--|---|-----------------------------|
| a. Accounts for billable direct Labor costs | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| b. Accounts for non-billable direct Labors costs | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| c. Accounts for billable other direct costs (ODCs) | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| d. Accounts for non-billable ODCs | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| e. Accounts for allowable indirect costs | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| f. Accounts for unallowable costs per 48 CFR Part 31 | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

Describe the accounting treatment for direct costs not billable to clients. (Where/how are these costs recorded?)

Unbillable costs are allocated to the client to whom
it relates to, as a direct client cost. Recorded in Deltek Ajera.

Note: This will support that all direct costs are accounted for and traceable from the job cost ledger to the general ledger.



If any responses are "Yes" to items "a" through "f", please provide a copy of the Company's chart of accounts (account listings) and identify account numbers/names (i.e. account series/grouping, categories) for the cost items listed below.

- a. Accounts for billable direct Labor costs
- b. Accounts for non-billable direct Labors costs
- c. Accounts for billable other direct costs (ODCs)
- d. Accounts for non-billable ODCs
- e. Accounts for allowable indirect costs
- f. Accounts for unallowable costs per 48 CFR Part 31

Please see Attachment

8. Do you have written policies on the following cost categories?

- a. Billable direct labor costs
- b. Non-billable direct labors costs
- c. Billable other direct costs (ODCs).
- d. Non-billable ODCs.
- e. Allowable indirect costs.
- f. Unallowable costs per 48 CFR Part 31.

<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

If "No", please explain: _____

9. Knowledge of requirements for an adequate financial management system.

a. Are appropriate personnel within the Company familiar with 48 CFR Part 31 -Federal Cost Principles?

Yes

b. How are appropriate personnel trained to distinguish between allowable and unallowable costs?

Experience and Consultation with a CPA

c. When does the review for allowability of costs occur? Is it at the time the transaction is recorded or later?

Sometimes when recorded, sometimes later

10. Is indirect and direct labor separated by contract/project/cost objectives on employee timesheets?

Yes No

If "Yes", please provide a copy of an approved timesheet that shows indirect and direct labor separated by contract/project/cost objectives.

11. Are contracts/projects assigned a unique identification/project number in your accounting system?

Yes No

If "Yes", please provide a complete list of current active contracts/projects with their respective identification number.

12. Do the Company's timesheets include reporting codes for both direct and indirect hours?

Yes No

If "Yes", do all employees, including managers and principles, record all worked hours for both direct and indirect on their timesheets?

Yes No

If "No", then please explain the method used to segregate direct and indirect labor hours.



13. Does the Company record all hours worked by all employees, including managers and principals, regardless of whether the employees are exempt from overtime pay or whether all direct labor hours are billed to specific contracts/projects?

Please see AASHTO Audit Guide Chapter 5.4.F.2 for reference.

No. If "No", please explain. _____

Yes. If "Yes", which of the following methods does the Company use to account for uncompensated overtime-the hours worked without additional compensation in excess of an average of 40 hours per week by direct-charge employee who are exempt from the Fair Labor Standards Act?

Effective Rate Method. Please explain: _____

Salary Variance Method (Effective or Standard Wage Rates). Please explain. (e.g., What was the total dollar amount of the salary/payroll variance for the year?): \$ _____

Other. Please explain: _____

14. How does the Company segregate costs incurred (work performed) under the original agreement/contract and costs incurred under contract changes/modifications/amendments?

Using Deltek AJERA Software _____

15. Besides labor, what other costs does the Company normally bill/invoice as direct contract/project costs?

Mileage, Per Diem, Regulatory Filing Fees, Sub-Contractor Expenses, Lab Testing, Field Testing, Equipment Usage, Aerial Imagery, Maps, Archives _____

Does your response include a complete list of all items you intend to bill/invoice for? Yes No

If "No", please provide a listing of all those ODC items to be charged to the contract/project.

16. Based on your answers above to questions 7-15, is your financial management system capable of accumulating, allocating and summarizing costs including direct and indirect (including labor), unallowable, and ODCs by contract/project in accordance with the Federal cost principles? Yes No

If "Yes", please provide a sample report from a currently active contract/project showing the accumulation, allocation and summarization of direct labor and ODCs by contract/project, if applicable.

17. Does the Company reconcile the financial accounting system to the job-cost system?

N/A (no job-cost ledger used)

No. Please explain. _____

Yes. If "Yes", how often? (Check all that applies.) Monthly Quarterly Semiannually Annually

18. As an attachment please describe (narrative or flow chart) your process for approving, recording, and invoicing contract costs to ensure compliance with applicable federal and State laws and regulations.

We use Deltek Ajera software and the process is described in the attachment. Deltek Ajera is a industry standard software and compliance with federal and state laws is handled by Deltek through various software features.

I certify that to the best of my knowledge and belief the responses to this questionnaire are accurate.

Print Name

Shaun Vemuri

Signature

75D05920B24B4AF...

Managing Principal

_____ Title

5/28/2019

_____ Date Completed

Standard Chart of Accounts

T

Assets (100.00-199.99)	
Current Assets	101.00 Checking Account 102.00 Savings Account 103.00 Savings Account 104.00 Payroll Checking Account 105.00 Deposits 106.00 Investments
Receivables	111.00 Accounts Receivable - Clients 114.00 Notes Receivable 115.00 Travel Advances
Unbilled Services	121.00 Unbilled Services

Fixed Assets	151.00 Furniture and Fixtures 152.00 Accumulated Depreciation - F&F 153.00 Leasehold Improvements 154.00 Accumulated Amortization - Leasehold Improvements 155.00 Automobiles 156.00 Accumulated Depreciation - Auto
Liabilities (200.00-299.99)	
Payables - Short Term	201.00 Notes Payable Short Term
Accounts Payable	210.00 Accounts Payable - Trade 211.00 Accounts Payable - Consultants 212.00 Accounts Payable - Other
Deposits	221.00 Deposits on Documents
Salaries and Deductions	231.00 Salaries Payable 232.00 FICA Payable 233.0 Federal Withholding 234.00 State Withholding 236.00 Health Care Insurance Withholding 239.00 Other Withholding
Payables - Long Term	251.00 Notes Payable - Long Term

Net Worth (300.00-399.99)	
Net Worth	301.00 Capital 311.00 Previous Years' Retained Earnings 312.00 Current Year's Profit and Loss
Revenue (400.00-499.99)	
Revenue	401.00 Billed Fee Revenue 402.00 Unbilled Revenue 421.00 Reimbursable Consultant Revenue 422.00 Reimbursable Expense Revenue
Vision's Standard Chart of Accounts divides expense accounts into three categories.	
Reimbursable Expenses (500.00-599.99)	
Outside Services Expenses (500.00-519.99)	511.00 Structural Consultant 512.00 Mechanical Consultant 513.00 Electrical Consultant 514.00 Civil & Landscape Consultant 515.00 Other Consultants

<p>Other Reimbursable Expenses (520.00-599.99)</p>	<p>521.00 Travel, Meals, and Lodging 522.00 Reproductions 523.00 Models/Renderings/Photos 524.00 Long Distance Telephone 529.00 Miscellaneous Reimbursable Expenses</p>
<p>Direct Expenses (600.00-699.99)</p>	
<p>Direct Labor</p>	<p>601.00 Direct Labor - Principals 602.00 Direct Labor - Employees Accounts 601.00 and 602.00 capture expenses for labor performed by principals and employees. When you assign an employee to one of the Employee Types (from Configuration, Accounting, Employee Types), the employee's labor is charged to the corresponding labor account, 601.00 or 602.00.</p>
<p>Outside Services Expense (610.00-619.99)</p>	<p>611.00 Structural Consultant 612.00 Mechanical Consultant 613.00 Electrical Consultant 614.00 Civil & Landscape Consultants 615.00 Other Consultants</p>
<p>Other Direct Expense (620.00-699.99)</p>	<p>621.00 Travel, Meals, and Lodging 622.00 Reproductions 623.00 Models/Renderings/Photos 624.00 Long Distance Telephone 625.00 Miscellaneous Direct Expenses</p>

Indirect Expenses (700.00-799.99)	
Administrative Labor	701.00 Indirect Labor - Principals 702.00 Indirect Labor - Employees 703.00 Job Cost Variance 704.00 Temporary Help 749.00 Other Office Expense
Payroll Benefits	721.00 Employer's FICA Tax 722.00 Federal Unemployment 723.00 State Unemployment 724.00 Worker's Compensation 729.00 Miscellaneous Payroll Expenses
Other Benefits	731.00 Health Care Insurance 732.00 Life Insurance 733.00 Disability Income Insurance 734.00 Other Insurance 735.00 Pension/Profit Sharing 736.00 Education and Seminars 737.00 Professional Registration and Dues

Office Expenses	741.00 Rent 742.00 Utilities 743.00 Office Supplies/Periodicals 744.00 Telephone 745.00 Posting/Shipping/Delivery 746.00 Equipment Rental 747.00 Repairs and Maintenance 748.00 Printing and Reproduction 749.00 Other Office Expenses
Legal and Financial Expenses	751.00 Legal 752.00 Accounting/Audit/Tax 753.00 Data Processing 754.00 Interest Expense 755.00 Professional Liability Insurance 756.00 Other Insurance
Automobile Expenses	761.00 Auto Gas and Oil 762.00 Auto Repairs 763.00 Auto Registration/Insurance 764.00 Travel 765.00 Hotels and Meals

Depreciation and Amortization	771.00 Depreciation - F&F 772.00 Amortization - Leasehold 773.00 Depreciation - Automobiles
Expense Recovery	791.00 Printing/Reproduction Recovery 792.00 Miscellaneous Expense Recovery
Other Miscellaneous Revenue and Expenses (800.00-999.99)	
Other Miscellaneous Revenue and Expenses	No accounts defined in the Standard Chart of Accounts. Use for "below the line" revenue and expenses, such as rental income.



Safe Harbor Rate Questionnaire for Evaluating Consultant's Financial Management System

Consultant Name: Sierra Geotech DBE Inc
Headquarter Address: 2250 Sierra Meadows Dr STE A, Rocklin, CA 95677
Location of Accounting Records: 2250 Sierra Meadows Dr STE A, Rocklin, CA 95677
Company Contact for Accounting System Questions:
Name: Shaun Vemuri
Title: Managing Principal
Phone Number: 916.934.2167
Email Address: shaun@sierrageotech.com
Mailing Address: 2250 Sierra Meadows Dr STE A, Rocklin, CA 95677

To be eligible for a Safe Harbor Rate the Consultant's financial management system must be adequate to accumulate and track direct labor and other direct costs by contract, segregate indirect costs, and remove unallowable costs in accordance with 48 CFR Part 31.

Instructions:

1. This questionnaire should be completed by personnel (e.g. accounting staff) with working knowledge of the Consultant (Company)'s financial management system.
2. Answer all questions and provide an explanation and additional supporting documentation where requested.
3. If additional space is required, please attach a separate sheet and refer to items being answered by number.

References:

Title 48 Code of Federal Regulations (CFR) Part 31 -Federal cost principles (48 CFR Part 31)
Title 48 CFR Chapter 99, Subchapter B - Procurement Practices and Cost Accounting Standards
Title 23 United States Code (U.S.C.), Chapter 1, Section 112 - Letting of Contracts
Title 23 CFR, Chapter 1, Part 172 - Procurement, Management, and Administration of Engineering and Design Related Services
American Association of State Highway and Transportation Officials (AASHTO) Uniform Audit & Accounting Guide (2016 Edition)

Definition of Terms:

Direct cost is any cost that is identified specifically with a particular cost objective. Direct costs are not limited to items that are incorporated in the end products as material or labor. Costs identified specifically with a contract are direct costs of that contract. All costs identified with other final cost objectives of the contractor are direct costs of those objectives. (48 CFR Part 31.202)

Indirect or overhead cost is any cost that is not directly identified with a single final cost objective, but is identified with two or more final cost objectives or with at least one intermediate cost objective. (48 CFR Part 31.203)

Has the Company developed an indirect cost rate in the past? Yes No

If "Yes," you are **not eligible** to use the Safe Harbor Rate. **Do not continue with this Questionnaire** and please complete the AASHTO Appendix-B ICQ and provide an ICR Schedule.

Is the Company a Prime Consultant on a Caltrans' contract \geq \$3.5M OR Local Government contract \geq \$1M, regardless of the participation amount? Yes No

If "Yes," you are **not eligible** to use the Safe Harbor Rate. **Do not continue with this Questionnaire** and please complete the AASHTO Appendix-B ICQ and provide an **Audited** ICR Report.



1. What form of business entity is the Company?

- Sole Proprietorship Partnership C Corporation S Corporation
 Other _____

2. What types of services will the Company provide for this contract? (Select all that apply.)

- | | | | |
|---|--------------------------|--------------------------------|-------------------------------------|
| Architectural and Engineering services | <input type="checkbox"/> | Program Management | <input type="checkbox"/> |
| Preliminary Engineering | <input type="checkbox"/> | Design Engineering | <input type="checkbox"/> |
| Surveying | <input type="checkbox"/> | Feasibility Studies | <input type="checkbox"/> |
| Mapping or Architectural related services | <input type="checkbox"/> | Other <u>Materials Testing</u> | <input checked="" type="checkbox"/> |

3. Does the Company have prior government contracting experience? Yes No

4. Does the general ledger contain separate direct and indirect accounts for the following?

- a. Labor Yes No
 b. Non-labor Yes No

Note: This will support that all direct costs are accounted for and traceable from the job cost ledger to the general ledger.

5. Do you have written policies on the following cost categories?

- | | | |
|-----------------------------|---|-----------------------------|
| a. Accounting | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| b. Billing | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| c. Timesheet Preparation | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| d. Overtime | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| e. Direct/Indirect Expenses | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| f. Prevailing Wage | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |

6. What types of employee status will the Company provide for this contract?

- Non-exempt Exempt-salaried Exempt-hourly Contract employees
 Other _____

7. Premium Overtime. Does the Company pay overtime at a premium to any employees? Yes No

-If Yes,

a. What premium rate is paid for Non-Exempt employees:

- Time-and-a-half and double-time.
 Straight rate.
 Other. Please explain: _____

b. What premium rate is paid for Exempt-Hourly employees:

- Time-and-a-half and double-time.
 Straight rate.
 Other. Please explain: _____

c. How is premium overtime accounted for and billed?

- As part of Direct Labor (overhead is applied) As
 an Other Direct Cost (no overhead applied)
 As an indirect labor cost (included in the indirect cost rate and not directly billed)
 Other. Please explain: _____

8. Is indirect and direct labor separated by contract/project/cost objectives on employee timesheets with reporting codes?

- Yes No

9. Are contracts/projects assigned a unique identification/project number in your accounting system?

- Yes No



10. Besides labor, does the Company normally bill/invoice the following as direct contract/project costs? (Select all that apply.)

- | | |
|---|---|
| Vehicle <input checked="" type="checkbox"/> | Shipping <input type="checkbox"/> |
| Computer/CADD <input type="checkbox"/> | Lab <input type="checkbox"/> |
| Printing <input type="checkbox"/> | Travel <input checked="" type="checkbox"/> |
| Specialty Equipment (List Below) <input type="checkbox"/> | Other (List Below) <input type="checkbox"/> |

10a. Is Vehicle normally billed/invoiced as a direct contract/project costs? Yes No

i. Are mileage logs maintained for all vehicles? If "No," please explain below.

Explanation: _____

ii. What is the recovery/billing rate used for Company or personal vehicle mileage reimbursement?

\$ _____ per mile

I certify that to the best of my knowledge and belief the responses to this questionnaire are accurate.

Print Name

Shaun Vemuri

Signature

DocuSigned by:
Shaun Vemuri
75D96820B24E4F...

Managing Principal

Title

5/28/2019

Date Completed