

AMENDMENT THREE TO AGREEMENT FOR  
FINAL DESIGN AND RIGHT-OF-WAY SERVICES FOR THE  
SOUTH MAIN STREET AND SODA BAY ROAD CORRIDOR IMPROVEMENT PROJECT  
IN LAKE COUNTY, CALIFORNIA

THIS AMENDMENT TO AGREEMENT is made this \_\_\_\_ day of \_\_\_\_\_, 2018, by and between the County of Lake, hereinafter referred to as "COUNTY", and Quincy Engineering, Inc., hereinafter referred to as "CONSULTANT".

WITNESSETH

WHEREAS, COUNTY and CONSULTANT have entered into an AGREEMENT dated February 24, 2015, Amendment One dated July 7, 2015, and Amendment Two dated September 26, 2017, to provide design, environmental, and right-of-way services for the South Main Street and Soda Bay Road Corridor Improvement Project; and

WHEREAS, CONSULTANT desires to amend their budget for work on various tasks; and

WHEREAS, CONSULTANT is duly licensed, qualified and experienced to perform said services; and

WHEREAS, Article XV, Section A, "MODIFICATION", of said Agreement allows that matters concerning scope of services which affect the agreed price may only be modified by written amendment thereto, executed by both parties; and

WHEREAS, COUNTY AND CONSULTANT now desire to amend said Agreement to complete the necessary work.

NOW, THEREFORE, the parties hereto agree as follows:

A. ARTICLE I, "SCOPE OF SERVICES", SECTION "A" is hereby modified to read as follows:

"CONSULTANT shall perform the services described in Exhibit "A" and hereby modified by Exhibits "D" and "E", attached hereto and incorporated herein by this reference hereinafter called Scope of Work. In the event of a conflict between this Agreement and Exhibits "A", "D", and "E", the provisions of this Agreement shall control."

B. ARTICLE VI, "COMPENSATION AND TERMS OF PAYMENT", Section C,

"Compensation" is hereby modified to read as follows:

"Compensation: The method of payment for this contract will be based on Actual Cost Plus Fixed Fee as set forth in Exhibits "C" as hereby modified by Exhibits "D" and "E". Exhibit "C" supersedes and replaces Exhibit "B" in this AGREEMENT and includes labor costs, overhead rates, fixed fee, and other direct costs. Direct costs for Sub Consultants will be billed as actual costs. No payment will be made prior to approval of any work, nor for any

work performed prior to approval of this AGREEMENT. For all services CONSULTANT shall be paid in accordance with the budget set forth in Exhibit "C" as hereby modified by Exhibits "D" and "E", provided however, total payments to CONSULTANT shall not exceed \$2,483,054.78 without prior written authorization by COUNTY and formal Amendment to this AGREEMENT."

C. ARTICLE VII, "TERM", is hereby modified to read as follows:

"This Agreement shall commence on the date hereinabove entered into and shall terminate on December 31, 2021, unless earlier terminated as hereinafter provided. This term may be extended an appropriate period of time in case of unavoidable delays and for consideration of corresponding warranted adjustments in payment by modification of this agreement as hereafter provided."

Except as specifically modified herein, all other terms and conditions of the AGREEMENT dated February 24, 2015, Amendment One dated July 7, 2015, and Amendment Two dated September 26, 2017, shall remain in full force and effect.

COUNTY and CONSULTANT have executed this Amendment to Agreement on the day and year first written above.

COUNTY OF LAKE:

Quincy Engineering, Inc.

\_\_\_\_\_  
Chair, Board of Supervisors

\_\_\_\_\_  
John Quincy, President

ATTEST:

CAROL J. HUCHINGSON  
Clerk of the Board of Supervisors

APPROVED AS TO FORM:

ANITA L. GRANT  
County Counsel

By: \_\_\_\_\_

By: \_\_\_\_\_



**EXHIBIT “E”**

TO

AMENDMENT THREE TO AGREEMENT FOR  
FINAL DESIGN AND RIGHT-OF-WAY SERVICES FOR THE  
SOUTH MAIN STREET AND SODA BAY ROAD CORRIDOR IMPROVEMENT PROJECT  
IN LAKE COUNTY, CALIFORNIA





July 26, 2018

Mr. Scott De Leon  
Lake County Public Works Department  
255 North Forbes, 3rd Floor  
Lakeport, CA 95453

Re: South Main Street/Soda Bay Road Widening and Bike Lanes Project - Amendment 3 Request

Dear Mr. De Leon:

This letter summarizes of our Team's requested Amendment 3 that includes changes to the level of effort for our scope of services including Project Management and Right of Way Appraisals and Acquisition Services. Bender Rosenthal (BRI) has notified Quincy and the County that the appraisals and waivers have become stale and that State and Federal right of way procedures and requirements mandate that appraisals and waivers be updated. Caltrans' Right of Way Manual specifically states the following:

Section 8.01.03.00 Negotiating Procedure

All acquisition discussions shall be directed to accomplish the end result that the property owner receives just compensation which is also just and fair to the public; that every courtesy, consideration, and patience is extended to the property owner, and to foster a feeling of confidence and respect by the property owner toward the Department of Transportation and its employees. All offers shall represent the best and most current estimate of market value determined through sound, approved appraisal and acquisition practices.

The Acquisition Agent shall be familiar with Departmental policy relating to the acquisition of property and, in particular, the following statements of policy.

- A. All discussions for the acquisition of property or an interest therein shall be directed to result in the payment of just compensation.
- B. The Department shall make every reasonable effort to expeditiously acquire property through agreement with its owner.
- C. The property or interest therein shall be appraised prior to the initiation of discussions leading to its purchase.
- D. A prompt offer to acquire the property shall be made.

Section 8.01.10.00

**Offers to Purchase Must Be Made Promptly**

Federal, State, and Departmental policy require that a prompt offer be made to purchase property. In an active market, an appraisal may be outdated in a very short time. Failure to make prompt offers in such cases is not only inconsistent with proper acquisition procedures, but may lead to unnecessary reappraisal activity. All offers should be made within 30 days of the approval of the appraisal. If circumstances cause delays in making prompt offers, the parcel diary must contain appropriate entries to document the reason for that delay.

developing YOUR vision | delivering YOUR project



In addition, BRI has identified additional level of effort required to complete the acquisition support required for the project. Please refer to the attached BRI amendment request that details the scope, requested additional level of effort of certain scope of services, and corresponding request for budget augmentation.

**Supportive Explanation of Project History and Timing of Performance of Work:**

Throughout 2016, BRI and Quincy held regular team meetings with Lake County staff regarding the appraisal efforts while development of plats and legal descriptions were ongoing. The whole design and right of way support team was focused on making as much progress as possible as it approached a February of 2017 right of way funding deadline. BRI staff worked to complete as many appraisals, waiver valuations, and acquisitions as possible prior to funding expiration to avoid loss of the funding. Parcels were prioritized in order to complete a large number quickly. The least complicated appraisals and acquisitions were prioritized into a first tier. The more complicated assignments, which included parcels requiring public utility easements, and/or owners not likely to cooperate were included in a second tier. As of December 2016, plats and legals were not yet complete, but completion was projected by the end of 2016 for the bulk of the first and second tier priorities that encompassed most of the project. To expedite the appraisal process, it was agreed to have Quincy prepare appraisal maps, which represented the plats for the project, but weren't the actual signed legal description. These appraisal maps allowed the appraisers to send notices of decision to appraise, inspect with the owner, and analyze the impacts to the remainder. This approach was not unusual. Appraisal maps are often relied upon in lieu of available plats and legals for Caltrans projects. Any minor differences between the appraisal maps and the finished plats and legals would be incorporated into the final draft of the appraisal as they were completed and prior to delivery to Lake County for approval of the offer of compensation. Thus, the approach was considered low risk. Due to circumstances beyond the control of Lake County, Quincy, and BRI, the completion of plats/legals extended beyond the February 2017 funding deadline, and as a result, the appraisal and waiver valuations became stale, exceeding the time frame as outlined in Caltrans' Right of Way Manual and as referenced in this letter above. Once the deadline has passed, it led to the need for the supplemental scope and budget augmentation to update appraisals and waiver valuations.

**Supportive Explanation of increased level of effort for Project Management:**

As updated appraisals and waivers are prepared, additional Quincy staff time will be required to review and compare the updates against the project design to assure that the appropriate right of way appraisals/waivers are being processed and moving ahead with first written offers and acquisitions. Quincy will attend additional team meetings, both in person and phone conferences, facilitate deliverables between BRI and Lake County staff, and complete the overall project and team management that is associated with the Amendment #3 scope of work.



The following summarizes the additional effort requested for tasks which correspond to the original contract task and subtask numbers. A summary per consultant team member is also included.

<b>Summary by Task</b>	<b>Additional Budget Not to Exceed</b>
Task 2.1 – Project Management	\$ 7,562.18 (Quincy) \$ 9,120.00 (BRI)
Task 6.2 – R/W Acquisition Assistance / Appraisals	\$ 4,765.94 (Quincy) \$ 67,150.00 (BRI)
Task 6.3 – R/W Acquisition Assistance	\$ 3,479.93 (Quincy) \$ 45,800.00 (BRI)
Other Direct Costs (Mailing/Travel/Other)	\$ 2,000.00 (BRI)
	<b>Total \$ 139,878.05</b>
<b>Summary by Team Member</b>	<b>Additional Budget Not to Exceed</b>
Quincy Engineering	\$ 15,808.05
Bender Rosenthal (BRI)	\$ 124,070.00
	<b>Total \$ 139,878.05</b>

The contract tasks that require additional effort to complete are:

**Task 2.1 – Project Management**

Additional level of effort is required of Quincy and BRI to perform Project Management, quality control reviews, subconsultant coordination, and oversight of the additional scope of work to be performed by BRI appraisal and acquisition agents.

**Task 6.2 – Right of Way Acquisition Assistance / Appraisals**

Additional level of effort is required to complete the appraisals and waivers as follows:

- 19 Appraisal Valuation updates
- 13 Waiver Valuation updates
- 3 Appraisal Reviews
- 1 Additional Appraisal



### Task 6.3 – Right of Way Acquisition Assistance

Additional level of effort is required to complete acquisition services as follows:

- Acquire and/or determine Impasse on 12 active parcels (11 Owners)
- 32 remaining parcels (includes parcel tracking and file close out). This assumes up to six (6) contacts by telephone, email or direct mail
- Preparation of two Right of Way Certifications, including one draft and one final document.

Additional budget for other direct costs (mailing expenses, travel, other) for BRI is included for additional mailings to property owners as the appraisals/waivers are updated. Please refer to the attached BRI Amendment 3 request which includes additional detail, discussion in support of the request, and an attached spreadsheet with scope and budget detail on a per parcel basis.

<b>Net Requested Budget Augmentation/ Additional Contract Budget</b>	<b>\$ 139,878.05</b>
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This budget augmentation request represents the additional level of effort required to complete the appraisal/waiver updates and acquisition support for the project limits along South Main Street and Soda Bay Road. There is no increase to the contract fixed fee and no fee being added to BRI's subconsultant costs.

Please give me a call to discuss any questions or comments you may have on this proposed amendment. I can be reached at (916) 368-9181.

Sincerely,  
**Quincy Engineering, Inc.**  
Michael A. Sanchez, P.E.  
Project Manager

A handwritten signature in black ink that reads "Michael A. Sanchez".

Attachments: Hours and Cost Breakdown for the Additional Request  
Quincy and BRI 10H Forms

Cc: Fred Pezeshk – Lake County Dept. of Public Works  
Mark Reno, PE – Principal-in-Charge  
Karen Tatman, PE – Principal

## Cost Proposal

Project Number: L01-350		Project Name: So. Main St./Soda Bay Rd.												
No.	TASKS	Principal Eng.		Senior Eng.		Assist Eng. I		Quincy Total Hours	Quincy Total Labor Dollars	Labor+OH Multiplier	Quincy Profit	Quincy NLF Budget	Bender Rosenthal (Appraisals & Acquisitions)	Subconsultant Subtotal
		MR	KT	MS	MI	Initial Hourly Rate								
		MR	KT	MS	MI	\$90.30	\$82.40	\$68.30	\$41.00					
<b>Realignment Study</b>														
1	Project Management			40				40	\$2,732	\$7,562	\$0.00	\$7,562	\$9,120	\$9,120
6.2	RAW Assistance - Appraisals			6	32			38	\$1,722	\$4,766	\$0.00	\$4,766	\$67,150	\$67,150
6.3	RAW Assistance - Acquisitions			4	24			28	\$1,257	\$3,480	\$0.00	\$3,480	\$45,800	\$45,800
	<b>Subtotal- Hours</b>				56	0	50	106	\$5,711.00	\$15,808.05	\$0.00	\$15,808.05		0
	<b>Estimated Salary Increases for Multi-Year Project</b>								\$0.00	\$0.00	\$0.00	\$0.00		
	<b>Other Direct Costs</b>								\$0.00	\$0.00	\$0.00	\$0.00	\$2,000	2,000
	<b>Total Cost</b>					\$0	\$3,415	\$5,711	\$5,711	\$15,808	\$0	\$15,808	\$124,070	\$0

**Total: \$139,878**



**Exhibit 10-H1 Cost Proposal  
Actual Cost-Plus-Fixed Fee Contracts**

Prime Consultant  Subconsultant

Consultant Quincy Engineering, Inc.  
 Project Name So. Main St./Soda Bay Rd.  
 Project No. L01-350 Contract No. L01-350 Date 7/19/2018

**DIRECT LABOR**

Classification/Title	Name	Initials	Range	Hours	Initial Hourly Rate	Total
Principal Eng.	Mark Reno	MR	\$70-\$105	0	\$ 90.30	\$ -
Principal Eng.	Karen Tatman	KT	\$70-\$105	0	\$ 82.40	\$ -
Senior Eng.	Mike Sanchez	MS	\$49-\$85	50	\$ 68.30	\$ 3,415.00
Assist Eng. I	Mitra Im	MI	\$26-\$46	56	\$ 41.00	\$ 2,296.00
				106		\$ 5,711.00

**LABOR COSTS**

a) Subtotal Direct Labor Costs \$5,711.00  
 b) Estimated Salary Increases for Multi-Year Project \$0.00 *(see calculation page attached)*  
 c) **TOTAL DIRECT LABOR COSTS** [(a) + (b)] \$5,711.00

**INDIRECT COSTS**

d) Fringe Benefits (Rate: 43.30%): e) Total Fringe Benefits [(c) x (d)] \$2,472.86  
 f) Overhead (Rate: 113.0%): g) Overhead [(c) x (f)] \$6,453.43  
 h) General Administration (Rate: 20.5%): i) Gen & Admin [(c) x (h)] \$1,170.76  
 j) **TOTAL INDIRECT COSTS** [(e) + (g) + (i)] \$10,097.05

**FIXED FEE**

k) Fixed Fee (0.0%): l) **TOTAL FIXED FEE** [(c) + (j)] x (k) \$0.00

**CONSULTANT'S OTHER DIRECT COSTS (ODC)**

Travel (@ active IRS mileage rate)	0 miles @	\$0.545	\$0.00
Pier Diem/ Hotel	0 days @	\$150.00	\$0.00
Delivery	0 @	\$20.00	\$0.00
Vendor Reproduction			
	Vellum @		\$0.00
	8 1/2 X 11 Reproduction @		\$0.00
	11 X 17 Reproduction @		\$0.00
	Mounting Boards for Presentations @		\$0.00
	Newsletters (Translation and printing) @		\$0.00
	<u>Subtotal Vendor Reproduction</u>		<u>\$0.00</u>
Title Report	0 @	\$0.00	\$0.00
Miscellaneous			\$0.00
	<b>m) TOTAL OTHER DIRECT COSTS</b>		<u>\$0.00</u>

n) **SUBCONSULTANT COSTS** *(attach detailed cost proposal for each subconsultant)*  
 Bender Rosenthal (Appraisals) \$124,070.00  
 0 \$0.00  
\$124,070.00 \$124,070.00

o) **TOTAL COST** [(c) + (j) + (l) + (m) + (n)] **\$139,878.05**

Note: Invoices will be based upon actual QEI hourly rates plus overhead at 176.8% plus prorated portion of fixed fee. Subconsultant and Direct Costs will be billed at actual cost. The overhead rate (ICR) shall remain fixed for the contract duration or until both parties agree to modify the rate in writing.

**EXHIBIT 10-H1 COST PROPOSAL**  
**ACTUAL COST-PLUS-FIXED FEE CONTRACTS**  
 (CALCULATIONS FOR ANTICIPATED SALARY INCREASES)

Consultant Quincy Engineering, Inc. Contract No. L01-350 Date 7/19/2018  
So. Main St./Soda Bay Rd.

**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
\$ 5,711.00	106	=	\$53.88	Year 1 Avg Hourly Rate

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

	Proposed Escalation =		5.0%			
	Avg Hourly Rate		Proposed Escalation			
Year 1	\$53.88	+	2.5%	=	\$55.22	Year 1 Avg Hourly Rate
Year 2	\$55.22	+	5.0%	=	\$57.98	Year 2 Avg Hourly Rate
Year 3	\$57.98	+	5.0%	=	\$60.88	Year 3 Avg Hourly Rate
Year 4	\$60.88	+	5.0%	=	\$63.92	Year 4 Avg Hourly Rate
Year 5	\$63.92	+	5.0%	=	\$67.12	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	100.00%	*	106.0	=	106.0	Estimated Hours Year 1
Year 2	0.00%	*	106.0	=	0.0	Estimated Hours Year 2
Year 3	0.00%	*	106.0	=	0.0	Estimated Hours Year 3
Year 4	0.00%	*	106.0	=	0.0	Estimated Hours Year 4
Year 5	0.00%	*	106.0	=	0.0	Estimated Hours Year 5
Total	100%		Total	=	106.0	

**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	\$53.88	*	106	=	\$5,711.00	Estimated Hours Year 1
Year 2	\$55.22	*	0	=	\$0.00	Estimated Hours Year 2
Year 3	\$57.98	*	0	=	\$0.00	Estimated Hours Year 3
Year 4	\$60.88	*	0	=	\$0.00	Estimated Hours Year 4
Year 5	\$63.92	*	0	=	\$0.00	Estimated Hours Year 5
	Total Direct Labor Cost with Escalation			=	\$5,711.00	
	Direct Labor Subtotal before Escalation			=	\$5,711.00	
	Estimated total of Direct Labor Salary Increase			=	\$0.00	Transfer to Page 1

NOTES:

- This assumes that an average of one half year will be worked at the rate on the cost proposal.

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 Service
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 Subconsultant Certifying:**

Name: Mark Reno Title \*: Principal Engineer  
 Signature :  Date of Certification (mm/dd/yyyy): 3/13/18  
 Email: markr@quincyeng.com Phone Number: 916-368-9181  
 Address: 11017 Cobblerock Drive, Ste 100, Rancho Cordova, 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.

List services the consultant is providing under the proposed contract:

<p>Project Management and Engineering Support Services for the R/W Appraisals and Acquisition Services</p>
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July 19, 2018

Mike Sanchez, PE  
Quincy Engineering  
11007 Cobblersrock Drive, Suite 100  
Rancho Cordova, CA 95670

Re: Proposed Amendment for Additional Right of Way Services associated with the South Main Roadway / Soda Bay Road Improvement Project

Dear Mr. Sanchez:

The purpose of this letter is to present Quincy Engineering, Inc. and Lake County a proposed scope amendment and budget augmentation for additional right of way services associated with the South Main Roadway / Soda Bay Road Improvement Project.

History

A Professional Service Agreement was entered into on May 21, 2015 between Quincy Engineering and Bender Rosenthal, Inc. (BRI). The purpose of the Agreement was to provide appraisals for the County of Lake's South Main Roadway/Soda Bay Road Widening and Bike Lanes and Aerial to Underground Conversion Project. It was understood that the balance of right of way services including acquisition and escrow management would be provided by others. The Agreement was subsequently amended for BRI to provide acquisition services and right of way certifications.

The original scope and amendments were as follows:

06/15/15 – Appraisals on 66 Parcels (55 Ownerships) 1 Perm Easement and 1 Temporary	\$284,762
04/16/17 – Approved Amendment for 55 Acquisitions (66 parcels)	<u>\$115,000</u>
05/12/17 – New Budget (284,762 + 115,000)	\$399,762
08/10/17 – Proposed Amendment to include additional negotiations on 25 parcels @1,200/each	\$ 32,000
08/15/17 - Amendment to include updated R/W Cost Estimate	<u>\$ 8,000</u>
11/16/17 – Revised total budget	\$439,764

The Amendment dated April 16, 2017 included the following tasks: acquisition of fee interests including perfection of prescriptive rights and permanent utility easements along with temporary construction easements for fifty-five (55) individual ownerships, comprising 63 assessor's parcel numbers.

The budget for these tasks was based on an estimate prepared by BRI during the design phase of the project which assumed that final approved plat maps and legal descriptions (Plats and Legals) would be forthcoming shortly.

In late 2016 and early 2017, BRI completed all the waiver valuations and appraisals outlined in the original scope of work. Mid 2017, BRI made offers on 24 Ownerships and completed acquisition for 10 Ownerships outlined in amendment number 1. There are 15 active negotiations and 6 administrative settlements pending approval. The BRI acquisition staff has attempted one in person meeting with owners and an average of 12 contacts have been made on each parcel to which an offer has been presented. 32 offers are pending revised plats and legals.

### Discussion

In February 2018, BRI received Final Plats and Legals. The new mapping indicated different rights were needed than what had been appraised based on the draft mapping. The maps also indicated that site improvements previously impacted were minimized and/or increased.

In March 2018, BRI met with Quincy, the County and Caltrans Right of Way. The outcome of the meeting is summarized below:

- All appraisals and waiver valuations shall be revisited to update them to current market status
- Plats and Legals shall be verified to establish the correct areas needed for updating of the appraisals
- BRI shall submit updated appraisals to Client for transmittal to County and approval
- BRI shall continue acquisition of parcels currently in negotiations
- BRI shall make offers promptly on the remaining parcels with values from the updated appraisals

### Scope Augmentation

This proposed amendment includes additional level of effort as outlined below to complete acquisitions:

#### **Task 1 – Project Management services include:**

- Participation in one (1) PDT teleconference meeting per month over an eight (8) month period.
- Review and report appraisal and acquisition status updates
- Estimate for project/program management services, is approximately six hours per month for eight months

#### **Task 2 – Appraisal services include:**

- Task 2A: 19 Appraisal Valuations @ \$2,300/each
- Task 2B: 13 Waiver Valuations @ \$1,150/each
- Task 2C: Three (3) appraisal valuations @ \$1,500. This includes appraisal reviews.
- Task 2D: One (1) additional Appraisal @ \$4,000
- These valuations require updating of comparable data and recalculation of total areas for the project, including calculation adjustments to account for additional rights required

- Assumes no additional independent appraisal reviews are required for 19 appraisal valuation updates.
- Assumes start of appraisal services within 10 days of acceptance

**Task 3 – Acquisition services:**

- Acquire and/or determine Impasse on 12 active parcels (11 Owners). See table below
- 32 remaining parcels (includes parcel tracking and file close out). This assumes up to six (6) contacts by telephone, email or direct mail
- Prepare one (1) Administrative Settlement as necessary.
- This service does not include condemnation support, nor escrow support services. Condemnation and escrow support are Optional Tasks that can be included based on hourly rates
- Assumes no in-person contacts
- Assumes no travel

Owner	Date FWO Sent	Next Steps to Finalize	# Contacts Made	# Attempted Contacts made
Morris	05/26/17	Continuing to work with owner regarding engineering changes	8	6
Harlan	05/31/17	Waiting for Admin Settlement Approval	13	14
Hill	05/18/17	Waiting for Admin Settlement Approval	12	12
Ferrellgas LLC	09/20/17	Waiting for Admin Settlement Approval	14	17
Ferrelgas LLC	09/20/17	Waiting for Admin Settlement Approval	14	17
Huebner	05/7/17	Impasse	4	3
Brossard	03/13/18	Signed (07/02/18)	5	1
Baylor	01/19/18	Impasse	8	4
Lake County Air Quality	01/19/18	Lake County working with this owner	5	5
Kemp	01/19/18	Waiting on Admin Settlement Approval	6	3
Pick	01/19/18	Impasse	7	2
Miller	01/23/18	Received Independent Appraisal Report from owner (07/09/18)	5	2
Robinson Oil Corp.	01/18/18	Waiting for Admin Settlement Approval	4	2
Nicosia	6/28/17	Signed (4/29/18)	13	4

**Task 4 –Right of Way Certification**

- Preparation of two Right of Way Certifications @ \$1,000 / each
- Fee includes one draft and one final document

**PROPOSED BUDGET AUGMENTATION:**

Task	# of Units (hrs or each)	Fee (each)	Requested Budget Augmentation	Contract Budget	Total
1. Project Management	48	\$190	\$9,120	\$27,200	\$36,320
<b>Appraisal Services:</b>			<b>\$67,150</b>	<b>\$272,326</b>	<b>\$339,476</b>
2A. Appraisal Updates	19	\$2,300	\$43,700		
2B. Waiver Valuation Updates	13	\$1,150	\$14,950		
2C. Appraisal Valuations with Review	3	\$1,500	\$4,500		
2D. One Additional Appraisal	1	\$4,000	\$4,000		
<b>Acquisition Services</b>			<b>\$43,800</b>	<b>\$138,800</b>	<b>\$182,600</b>
3A. Finalize Acquisitions	12	\$450	\$5,400		
3B. Remaining Offers	32	\$1,200	\$38,400		
<b>4. Right of Way Certification</b>	<b>2</b>	<b>\$1,000</b>	<b>\$2,000</b>		<b>\$2,000</b>
<b>5. Direct Costs (Mailing/Travel/Other)</b>			<b>\$2,000</b>	<b>\$1,438</b>	<b>\$3,438</b>
<b>Budget Total:</b>			<b>\$124,070</b>	<b>\$439,764</b>	<b>\$563,834</b>

Note: This budget assumes timely response from all parties within 5 days.

*Mr. Mike Sanchez*  
*Quincy Engineering*  
*July 19, 2018*  
*Page 5*

The additional Fee Not to Exceed amount of \$124,070. Each of these changes represents additional efforts for scope of services from the original contract. Actual costs may vary from each category and will be reallocated to applicable tasks if required, with County review and concurrence. BRI will obtain prior approval for any additional staff added to this project.

Thank you for your consideration in this matter. Should you have any questions, please contact me at (916) 978-4900 or [d.wraa@benderrosenthal.com](mailto:d.wraa@benderrosenthal.com) or [y.matranga@benderrosenthal.com](mailto:y.matranga@benderrosenthal.com).

Sincerely,



David Wraa, MAI, ARA, AI-GRS  
President

Attachments: Appraisal/Waiver Process Actions and Tasks  
Acquisition Process Actions and Tasks  
Supportive Information for Staff/Level of Effort/Budget for various scope items  
Appraisal/Waiver/Acquisition Workflow Schedule

BRI - Supportive description of tasks and actions associated with various scope of work items related to the Appraisal/Waiver Process

In order to update the appraisal, the scope of work that will be performed is listed below.

- Call and confirm new comparable data in the market.
- Update market data within the region
- Write up information on new comparable data
- Inspect new comparable data
- Re-inspect the subject properties from the street
- Update property data such as most recent taxes, call planning department regarding entitlements, zoning etc.
- Update Highest and Best Use if applicable
- Re-analyze the subject given the updated market info and comparable data
- Produce and final new appraisal reports that will incorporate the original by reference.

In order to update the waiver valuations, the scope of work that will be performed is listed below.

- Researchers will research new market data
- Research new comparable data
- Analyze market data and new valuation analysis
- Update the previous waiver valuation

**BRI** - Supportive description of tasks and actions associated with various scope of work items related to the Acquisition Process

In order to update the first written offer package for the property owner, the scope of work that will be performed once the compensation is approved by the County is listed below.

1. Read the updated appraisal to determine the impact on the parcel and the compensation amount.
2. Review the title report for any changes or matters of record that could affect the County's acquisition.
3. Review any curative items for each property owner.
4. Identify any construction contract work affecting the property owner.
5. Assemble the new offer package documents including:
  - Offer letter;
  - Summary Statement Relating to the purchase of real property or interest therein;
  - Appraisal;
  - Signing instructions;
  - Purchase Agreement;
  - Required deed(s);
  - Title report;
  - Acquisition brochure;
  - Title VI information;
  - Appraisal reimbursement claim.

**Negotiations:**

- Contact owner and explain the process and deliver the package to their requested location.
- Create and maintain a parcel diary detailing the entire negotiation process with the owners and insuring a minimum of three contacts with parcel owners.
- Continue contact with owner and conduct negotiations.
- Relay any questions the Agent is unable to answer to County for response and relay back to owner once answered.
- Assist owner to reach justifiable settlement if a counter offer is warranted.
- If reasonable settlement has been reached, write an Administrative Settlement based off Cal Trans policy and the provisions detailed in 49 CFR 24.102 (i).
- Revise documents to reflect the administrative settlement request once it is approved by the County.
- Deliver new documents to the Owner and assist with signing including providing a notary.
- Quality control the completed package. Deliver completed acquisition file to the County.

Exhibit 10-H1 Cost Proposal  
Actual Cost-Plus-Fixed Fee Contracts

Prime Consultant  Subconsultant

Consultant **Bender Rosenthal, Inc.**

Project Name Lake County: South Main St/Soda Bay Road Enhancement Project

Project No. \_\_\_\_\_ Contract No. N/A Date 6/21/2018

**DIRECT LABOR**

Classification/Title	Name	Initials	Range	Hours	Initial Hourly Rate	Total
ROW Project Manager	Yoli Mantranga	YM	\$65-\$85	64	\$ 68.50	\$ 4,384.00
Appraisal Manager	Dave Wraa	DW	\$140-\$150	40	\$ 144.23	\$ 5,769.20
Appraiser	Ross Campbell	RC	\$40-\$50	50	\$ 43.27	\$ 2,163.50
Appraiser	Dave Houghton	DH	\$40-\$50	45	\$ 41.00	\$ 1,845.00
Appraiser	Kelli Johnson	KJ	\$40-\$50	45	\$ 41.00	\$ 1,845.00
Appraiser	Angela Parrott	AP	\$40-\$50	45	\$ 41.00	\$ 1,845.00
Researcher	Stacie Hagstedt	SH	\$20-\$30	40	\$ 25.50	\$ 1,020.00
Researcher	Alysia Corey	AC	\$20-\$30	40	\$ 20.00	\$ 800.00
Researcher	Fred McGrew	FM	\$20-\$30	40	\$ 20.00	\$ 800.00
Administrative	Aly Bell	AB	\$18-\$35	40	\$ 23.50	\$ 940.00
Project Controller	Katie Eastham	KE	\$60-\$70	12	\$ 60.58	\$ 726.96
Project Coordinator	Rebekah Green	RG	\$40-\$60	50	\$ 44.00	\$ 2,200.00
Acquisition Agent	Jeff Aldal	JA	\$26-\$60	140	\$ 47.00	\$ 6,580.00
Appraiser	Joe Mulholland	JM	\$30-\$57	60	\$ 33.00	\$ 1,980.00
Acquisition Agent	Joe Zapata	JZ	\$26-\$60	140	\$ 37.45	\$ 5,243.00
Administrative	Alyssa Aldal	AA	\$18-\$35	64	\$ 26.25	\$ 1,680.00
Administrative	Betsey Cline	BC	\$18-\$35	65	\$ 28.35	\$ 1,842.75
				980		\$ 41,664.41

**LABOR COSTS**

- a) Subtotal Direct Labor Costs \$41,664.41
- b) Estimated Salary Increases for Multi-Year Project \$0.00 *(see calculation page attached)*
- c) **TOTAL DIRECT LABOR COSTS [(a) + (b)]** \$41,664.41

**INDIRECT COSTS**

- d) Fringe Benefits (Rate: 64.80%):
- e) Total Fringe Benefits [(c) x (d)] \$26,998.54
- f) Overhead (Rate: 11.08%):
- g) Overhead [(c) x (f)] \$4,616.42
- h) General Administration (Rate: 28.19%):
- i) Gen & Admin [(c) x (h)] \$11,745.20
- j) **TOTAL INDIRECT COSTS [(e) + (g) + (i)]** \$43,360.15

**FIXED FEE**

- k) Fixed Fee (10.0%):
- l) **TOTAL FIXED FEE [(c) + (j)] x (k)** \$8,502.46

**CONSULTANT'S OTHER DIRECT COSTS (ODC)**

Travel (@ active IRS mileage rate)	1400 miles @	\$0.5450	\$763.00
Delivery	15 @	\$35.33	\$529.95
Title Report	1 @	\$750.00	\$750.00
Miscellaneous			\$0.00
m) <b>TOTAL OTHER DIRECT COSTS</b>			<u>\$2,042.95</u>

- n) **SUBCONSULTANT COSTS** *(attach detailed cost proposal for each subconsultant)*

Sierra West Valuation  
Independent Appraisal Reviews

Each  
19 Reviews \$1,500 \$28,500.00

\$28,500.00

\$28,500.00

**o) TOTAL COST [(c) + (j) + (l) + (m) + (n)]** **\$124,070**

**NOTES:**

- Key personnel marked with an asterisk (\*).
- Employees subject to prevailing wage marked with two asterisks (\*\*).
- Anticipated salary increases calculation (Item "b") on attached page.

**EXHIBIT 10-H1 COST PROPOSAL**  
**ACTUAL COST-PLUS-FIXED FEE CONTRACTS**  
 (CALCULATIONS FOR ANTICIPATED SALARY INCREASES)

Consultant Bender Rosenthal, Inc. Contract No. \_\_\_\_\_ Date 6/21/2018

**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
\$ 41,664.41	980	=	\$42.51	Year 1 Avg Hourly Rate

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

	Proposed Escalation =		3.0%		
	Avg Hourly Rate		Proposed Escalation		
Year 1	\$42.51	+	1.5%	=	\$43.15
Year 2	\$43.15	+	3.0%	=	\$44.44
Year 3	\$44.44	+	3.0%	=	\$45.77
Year 4	\$45.77	+	3.0%	=	\$47.14
Year 5	\$0.00	+	3.0%	=	\$0.00
					Year 1 Avg Hourly Rate
					Year 2 Avg Hourly Rate
					Year 3 Avg Hourly Rate
					Year 4 Avg Hourly Rate
					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	100.00%	*	980.0	=	980.0	Estimated Hours Year 1
Year 2	0.00%	*	980.0	=	0.0	Estimated Hours Year 2
Year 3	0.00%	*	980.0	=	0.0	Estimated Hours Year 3
Year 4	0.00%	*	980.0	=	0.0	Estimated Hours Year 4
Year 5	0.00%	*	980.0	=	0.0	Estimated Hours Year 5
Total	100%		Total	=	980.0	

**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	\$42.51	*	980	=	\$41,664.41	Estimated Hours Year 1
Year 2	\$43.15	*	0	=	\$0.00	Estimated Hours Year 2
Year 3	\$44.44	*	0	=	\$0.00	Estimated Hours Year 3
Year 4	\$45.77	*	0	=	\$0.00	Estimated Hours Year 4
Year 5	\$47.14	*	0	=	\$0.00	Estimated Hours Year 5
	Total Direct Labor Cost with Escalation	=		=	\$41,664.41	
	Direct Labor Subtotal before Escalation	=		=	\$41,664.41	
	Estimated total of Direct Labor Salary Increase	=		=	\$0.00	Transfer to Page 1

NOTES:

- This assumes that an average of one half year will be worked at the rate on the cost proposal.

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 Service
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 Subconsultant Certifying:**

Name: Brenda Schimpf Title\*: Vice President

Signature:  Date of Certification (mm/dd/yyyy): 6/21/2018

Email: b.schimpf@benderrosenthal.com Phone Number: (916) 978-4900

Address: 2825 Watt Avenue, Suite 200, Sacramento, CA 95821

\*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:

ROW Project Management, Appraisal Services, Independent Appraisal Services, Acquisition Services, Right of Way Certification
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BRI - Supportive Information for Staff/Level of Effort/Budget for various scope items

**Waiver: \$1,150 not to exceed**

Staff	Classification	Loaded Rate	Hours	Cost
David Wraa	Appraisal Manager	\$323.76	0	\$0.00
Ross Campbell	Appraiser	\$97.13	2	\$194.26
Stacie Hagstadt	Researcher	\$57.24	14	\$801.36
Aly Bell	Admin Support	\$52.75	2.75	\$145.06
<b>TOTAL</b>			<b>18.75</b>	<b>\$1,140.68</b>

**Appraisal Update: \$2,300 not to exceed**

Staff	Classification	Loaded Rate	Hours	Cost
David Wraa	Appraisal Manager	\$323.76	0.5	\$161.88
Dave Houghton	Appraiser	\$92.04	18	\$1,656.72
Stacie Hagstadt	Researcher	\$57.24	6	\$343.44
Aly Bell	Admin Support	\$52.75	2.5	\$131.88
<b>TOTAL</b>			<b>27</b>	<b>\$2,293.92</b>

**Acquisition Close Out: Not to Exceed \$450**

Staff	Classification	Loaded Rate	Hours	Cost
Yoli Matranga	Acquisition Mgr	\$153.77	0.25	\$38.44
Joe Zapata	Acquisition Agent	\$84.07	2	\$168.14
Rebekah Green	Project Coordinator	\$98.77	0.5	\$49.39
Alyssa Aldal	Admin Support	\$58.93	3.25	\$191.52
<b>TOTAL</b>			<b>6</b>	<b>\$447.49</b>

**Acquisition: Not to Exceed \$1,200**

Staff	Classification	Loaded Rate	Hours	Cost
Yoli Matranga	Acquisition Mgr	\$153.77	0.5	\$76.89
Joe Zapata	Acquisition Agent	\$84.07	12	\$1,008.84
Rebekah Green	Project Coordinator	\$98.77	0.5	\$49.39
Alyssa Aldal	Admin Support	\$58.93	1	\$58.93
<b>TOTAL</b>			<b>14</b>	<b>\$1,194.04</b>

