EXHIBIT "B"

TO

MASTER AGREEMENT FOR ON-CALL CONSTRUCTION MANAGEMENT SERVICES
FOR REPLACEMENT OR REHABILITATION OF VARIOUS HBP-FUNDED BRIDGES
IN LAKE COUNTY, CALIFORNIA

EXHIBIT 10-H2 COST PROPOSAL Page 1 of 3

	Specific	EAHII) Pateoe Cor	MENSATION	DE COMBENS ATTOM (115T FOR ON CALL OF AS ATTEM	PATE OF COMBINISATION (1) FEO DAY CALL ON AS MEETING CONTRACTOR OF A SAFETING CONTRACTOR CONTRACTOR OF AS MEETING CONTRACTOR CONTRAC	OHO 4 CH			
		(CONSTRUCT	TON ENGINEE	USE FOR UN-CALL RING AND INSPEC	(CONSTRUCTION ENGINEERING AND INSPECTION CONTRACTS)	NI KAC IS)			
Note: Mark-ups are Not Allowed Consultant MGE Engineering, Inc			×	Prime Consultant	qnS 🔲	Subconsultant	2nd Tier Sunconsultant	nconsultant	
Project No.		Contract No.	t No.	d	Participation Amount \$	unt \$		Date 6/15/2020	50
For Combined Rate Fring	Fringe Benefit %	+ General & Administrative %	Administrati	%0 e			Com	ombined ICR %	
		S mono	Tan inclining the deli	OR				MINT ICK /U	
For Home Office Rate	Fringe Repofit	51 47% +	Concret &	51 470 + General & Administrative	11/1/180/	.0			696
For Field Office Rate	Dellelli	0//+:10			14.4070	Q.	MOH HOM	nome Office ICK 165.95%	%
Fring	Fringe Benefit	48.62% +	General &⊿	General &Administrative	98.02%	,11	Field	Field Office ICR 146.64%	94%
					Fee	ш			10%
BILLING INFORMATION					CALCULATION INFORMATION	ON INFOR	MATION		
Name/Joh Tile/Classification	Ho	Hourly Billing Rates ²	kates ²	Effective da	Effective date of hourly rate	Actual or Avg.	.vg. % or \$	Hourly range – for	j.
	Straight ³	To(1.5x)	To(2x)	From	To	hourly rate4	te ⁴ increase	Classification only	l _y
Fred Huang PE *	\$ 277.92	NA	NA	7/1/2020	12/31/2020	S	95.00 0%	Not Applicable	
Principal			NA	1/1/2021	12/31/2021	\$6	99.75 5%		
			NA	1/1/2022	12/31/2022		104.74 5%		
		N A	NA AN	1/1/2023	12/31/2023	501 \$			
		NA A	NA A	1/1/2024	12/31/2024		115.47 5%		
Joe Siemers, PE, QSD *	\$ 198.93	AN	N A	7/1/2020	12/31/2020			Not Applicable	
Project/Construction Manager		NA	NA AN	1/1/2021	12/31/2021				
		Y Z	AZ —	1/1/2022	12/31/2022				
		Y ;	Y ;	1/1/2023	12/31/2023	8Z 8Z			
ייטטט טמ טמ יייוויזאן יידיזאן	- 1	YZ ;	ΨZ,	1/1/2024	12/31/2024				
Martin McIlroy, PE, PG, CEG*		₹ ;	₹ ;	7/1/2020	12/31/2020	\$ 75		Not Applicable	_
QA/QC & Cosntructability Reviews		₹ ;	₹ ;	1/1/2021	12/31/2021				
		K ;	Y ;	1/1/2022	12/31/2022				
		₹ ;	₹ ;	1/1/2023	12/31/2023	98			
4	-1	- 1	YY.		12/31/2024				\Box
Bill Peterson **			\$ 362.76		12/31/2020			Not Applicable	
Office Engineer			8 380.89	_	12/31/2021				
		\$ 299.95			12/31/2022	89 \$			
	\$ 209.97			_	12/31/2023	\$ 71			
	\$ 220.47	\$ 330.70	\$ 440.93	1/1/2024	12/31/2024	\$ 75	75.36 5%		

		E	HIBIT	10-H2 C	EXHIBIT 10-H2 COST PROPOSAL Page 1 of 3	L Page 1 of 3					
	SPECIFI	C RATE OF (CONSTR	COMPE	VSATION (U) ENGINEER	SE FOR ON-CALL ING AND INSPECT	SPECIFIC RATE OF COMPENSATION (USE FOR ON-CALL OR AS-NEEDED CONTRACTS) (CONSTRUCTION ENGINEERING AND INSPECTION CONTRACTS)	NTRACTS)				
Note: Mark-ups are Not Allowed Consultant MGE Engineering, Inc	g, Inc		×	Prin	Prime Consultant	qns	Subconsultant	2nd	Tier Sun	2nd Tier Sunconsultant	
Project No.		Cont	Contract No.		Ь	Participation Amount \$	ount \$]		Date 6/15/2020	5/2020
For Combined Rate	6										
	Fringe Benefit % + General & Administrative %	o + Genera	I & Adı	ninistrative	% OR		IJ		Combi	Combined ICR %	
For Home Office Rate											
For Field Office Rate	Fringe Benefit	51.47% +		neral &Ad	General &Administrative 1	114.48%	ĬĬ		Ноше	Home Office ICR	165.95%
	Fringe Benefit	48.62%	+	neral &Ad	General &Administrative	98.02%	II		Field C	Field Office ICR	146.64%
						Fee	11				10%
Bill Peterson **		€>	31 \$	336.42	7/1/2020	12/31/2020		62.00	%0	Not Applicable	icable
Inspector		∽	93 \$	353.24	1/1/2021	12/31/2021		65.10	2%		
		69	_	370.90	1/1/2022	12/31/2022	∽	68.36	2%	200	
		∽	_	389.44	1/1/2023	12/31/2023		71.77	2%		
		8	\dashv	408.92	1/1/2024	12/31/2024		75.36	5%		
Manouch Mahmoudzadeh, PE **	\$ 185.16	69 (75 \$	370.33	7/1/2020	12/31/2020		68.25	— %0	Not Applicable	icable
Structure Representative/Inspector	\$ 194.42 \$ 204.14	_	63 8	388.85	1/1/2021	12/31/2021	€9 €	71.66	5%		
		÷ •	53 - 6	428.70	1/1/2023	12/31/2022		70.07	2%		
		÷	8 09	450.14	1/1/2024	12/31/2024	9 69	82.96	5%		
John Rogers, PE**	\$ 184.49	\$ 276.73	73 \$	368.97	7/1/2020	12/31/2020		00.89	%0	Not Applicable	icable
Inspector		89	57 \$	387.42	1/1/2021	12/31/2021	59	71.40	2%	•	
		∽	\$ 60	406.79	1/1/2022	12/31/2022		74.97	2%		
	\$ 213.57	69 6	35	427.13	1/1/2023	12/31/2023	\$	78.72	2%		
Seron Bahakhani**	\$ 224.24	+	+	448.49	1/1/2024	12/31/2024		82.65	5%	4 774	=
Inspector	\$ 185.16	9 69	75 8	370.33	1/1/2021	12/31/2021	A 64	68.25	2%	Not Applicable	caole
		69	63 \$	388.85	1/1/2022	12/31/2022		71.66	5%		
	\$ 204.14	⇔	22 \$	408.29	1/1/2023	12/31/2023		75.25	2%		
	- 1	S	53 \$	428.70	1/1/2024	12/31/2024	8 7	79.01	5%		
Thomas Tadayon**	\$ 176.35	69	52 \$	352.70	7/1/2020	12/31/2020		65.00	%0	Not Applicable	icable
nspector		69	75 \$	370.33	1/1/2021	12/31/2021	9		2%		
		69 (63	388.85	1/1/2022	12/31/2022	2		2%		
	\$ 204.14	69 (22 \$	408.29	1/1/2023	12/31/2023	2		2%		
	\$ 21435	S 321 53	- 25	428 70	1/1/2024	12/31/2024	9	10 07	20%		

EXHIBIT 10-H2 COST PROPOSAL Page 1 of 3

SPECIFIC RATE OF COMPENSATION (USE FOR ON-CALL OR AS-NEEDED CONTRACTS)

Motor Mosl	NICE AT) (C	ONSTR	UCTION	ENGINEERI	ING AND INSPE	(CONSTRUCTION ENGINEERING AND INSPECTION CONTRACTS)	rs)					
Consultant MGE Engin	MGE Engineering, Inc	ing, Inc				×		Prime Consultant		Subconsultant	ultant	Znd Tier Sunconsultant	unconsultant		
Project No.					Cont	Contract No.	·		Participation Amount \$	mount	- € -	1	Date	Date 6/15/2020	2020
For Combined Rate	Rate														
		Fringe	Fringe Benefit % +		Genera	ıl &Adr	General &Administrative %	%			11	Con	Combined ICR %	%	
								OR							
For Home Office Rate	ice Rate														
For Field Office Rate	ce Rate	Fringe	Fringe Benefit		51.47% +	+	neral &Adı	General &Administrative	114.48%		П	Hon	Home Office ICR		165.95%
		Fringe Benefit	Benefit		48.62%	+	neral &Adı	General &Administrative	98.02%		1	Fiel	Field Office ICR		146.64%
									Fee		11				10%
Staff**			\$ 176.35	.35 \$.52 \$	352.70	7/1/2020	12/31/2020	0	65.00	%0 0	62.00		68.00
Inspector			\$ 185	185.16	3 277.75	.75 \$	370.33	1/1/2021	12/31/2021	1	68.25	5 5%	65.10		71.40
				.42	591.63	.63	388.85	1/1/2022	12/31/2022	2	71.66		68.36	L	74.97
				.14	306.22	22 \$	408.29	1/1/2023	12/31/2023	3	75.25	5 5%	71.77	16	78.72
				.35 \$	321.53	53 \$	428.70	1/1/2024	12/31/2024	4 \$	79.01	1 5%	75.36		82.65
Staff **			\$ 146.27	.27	219.41	41 \$	292.55	7/1/2020	12/31/2020	\$ 0	50.00	%0 0	40.00	*	54.00
CADD			\$ 153.59	.59	230.38	38	307.17	1/1/2021	12/31/2021	1	52.50	0 5%	42.00	Ψ.	56.70
			\$ 161.27	.27 \$	241.90	8 06	322.53	1/1/2022	12/31/2022	2	55.13	3 5%	44.10	Ψ.	59.54
			\$ 169.33	33	253.99	\$ 66	338.66	1/1/2023	12/31/2023	3	57.88	8 5%	46.31	9	62.51
11.00			- 1	80	266.69	\$ 69	355.59	1/1/2024	12/31/2024	4	60.78	8 5%	48.62	9	65.64
Staff **			\$ 105.32	32 \$	157.97	\$ 26	210.63	7/1/2020	12/31/2020	\$ 0	36.00	%0 0	28.00	:i	36.00
Office Administration	ration		\$ 110.58	58 8	165.87	87 8	221.16	1/1/2021	12/31/2021		37.80	0 5%	29.40	: ::	37.80
			\$ 116.11	11	174.17	17 \$	232.22	1/1/2022	12/31/2022	2	39.66	9 2%	30.87	.m ⊕	39.69
			\$ 121.92	92 8	182.87	87 8	243.83	1/1/2023	12/31/2023	8	41.67		32.41	4	41.67
			\$ 128.01	01 \$	192.02	02 8	256.02	1/1/2024	12/31/2024	8	43.76	5 5%	34.03	- 4	43.76

^{* =} Exempt Employee ** = Non- Exempt Employee

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.

Billing rate = actual hourly rate * (1+ ICR) * (1+ Fee). Indirect cost rates should be based on the consultant's annual accounting period, established by a cognizant agency or accepted by Caltrans. All costs must comply with the Federal cost principles for reimbursement.

4. For named employees and key personnel enter the actual hourly rate. For classifications only, enter the Average Hourly Rate for that classification. 3.5

EXHIBIT 10-H2 COST PROPOSAL Page 2 of 3

SPECIFIC RATE OF COMPENSATION (USE FOR ON-CALL OR AS-NEEDED CONTRACTS)

(CONSTRUCTION EN	(CONSTRUCTION ENGINEERING AND INSPECTION CONTRACTS)	SPECTION CONTRACTS)	TS)	
Consultant MGE Engineering, Inc.	Prime Consultant		Subconsultant	
Project No.		Date 6/15/2020	/2020	
SCHEDULE OF OTHER DIRECT COST ITEMS (Add additional pages as necessary)	COST ITEMS (Add addition	al pages as necessa	rv)
Description offtem	Quantity	Unit	Unit Cost	Total
Mileage Costs		Mile	0.58	&TRD
Per Diem	1	Day	\$50	STBD
Lodging		Day	\$100	KTRD
Subconsultant 1:				\$TBD
Subconsultant 2:				777
Subconsultant 3;				9 9

Note: Add additional pages if necessary.

Subconsultant 4: Subconsultant 5:

e. 4.

1. List other direct cost items with estimated costs. These costs should be competitive in their respective industries and supported with appropriate documentation.

€

- 2. Proposed ODC items should be consistently billed regardless of client and contract type.
- Items when incurred for the same purpose, in like circumstance, should not be included in any indirect cost pool or in the overhead rate.
 - Items such as special tooling, will be reimbursed at actual cost with supporting documentation (invoice).
- Items listed above that would be considered "tools of the trade" are not reimbursable as other direct cost.
- Travel related costs should be pre-approved by the contracting agency and shall not exceed current State Department of Personnel Administration rules.

 If mileage is claimed, the rate should be properly supported by the consultant's calculation of their actual costs for company vehicles. In addition, the miles claimed should be supported 5.
 - by mileage logs.
 If a consultant proposes rental costs for a vehicle, the company must demonstrate that this is its standard procedure for all of their contracts and that they do not own any vehicles that could be used for the same purpose. ∞.
 - The cost proposal format shall not be amended. All costs must comply with the Federal cost principles. 6
 - 10. Add additional pages if necessary.
- 11. Subconsultants must provide their own cost proposals.

EXHIBIT 10-H2 COST PROPOSAL Page 3 of 3

Certification of DirectCosts:

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 Service
- 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.

Time Consultant of Subconsultant Certifying:	
Name: H. Fred Huang	Title *: President
Signature:	Date of Certification (mm/dd/yyyy): 6/15/2020
Email: fhuang@mgeeng.com	Phone Number: 916-421-1000
Address: 7415 Greenhaven Drive, Suite 100, Sacramento	o, CA 95831
* An individual executive or financial officer of the lower than a Vice President or a Chief Financial O financial information utilized to establish the cost List services the consultant is providing under the proposed	
On-Call Construction Management Services for HBP-Funde	ed Bridge Projects in Lake County, CA

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: MGE Engineering, 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	% OR	
Home Office Rate 165.95	% and Field Office Rate (if applicable) 146.64	%
Facilities Capital Cost of Money	% (if applicable)	
Fiscal period * 1/1/2018 - 12/31/20	018	

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 federallyfunded 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 <u>Title 23 United States Code (U.S.C.) Section 112(b)(2)</u>; 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

^{*} 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.

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 <u>Title 31 U.S.C. Sections 3729-3733</u>
- Statements or entries generally Title 18 U.S.C. Section 1001
- Major Fraud Act <u>Title 18 U.S.C. Section 1031</u>

All A&E Contract Information: • Total participation amount \$ 10 million Engineering services that the consultant rece • The number of states in which the consultant • Years of consultant's experience with 48 CFF • Audit history of the consultant's current and □ □ Cognizant ICR Audit □ CPA ICR Audit	ived in the last three fiscal periods. does business is 1 (one). R Part 31 is 28
Indirect Cost Rate Schedule to determine that any cost principles have been removed and comply with <u>Title 2</u> all applicable state and federal rules and regulations. compliance must be retained by the consultant. I herel federal and state requirements are not eligible for reim	of my knowledge and belief and that I have reviewed the ets which are expressly unallowable under the Federal cost 3 U.S.C. Section 112(b)(2), 48 CFR Part 31, 23 CFR Part 172, and I also certify that I understand that all documentation of by acknowledge that costs that are noncompliant with the abursement and must be returned to Caltrans. Title**: President
Name**: H. Fred Huang Signature:	Date of Certification (mm/dd/yyyy): 6/15/2020
Email**: fhuang@mgeeng.com	Phone Number**: 916-421-1000
**An individual executive or financial officer of the consultant	s's or subconsultant's organization at a level no lower than a Vice President a

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

^{**}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.

7415 Greenhaven Drive, Suite 100, Sacramento, CA 95831

TEL (916) 421-1000 • FAX (916) 421-1002

PREVAILING WAGE POLICY

MGE complies with all California's prevailing wage laws as applicable. All workers employed on public works projects are paid prevailing wage rates as determined by the Director of the Department of Industrial Relations according to the type of work and location.

MGE is registered with the Department of Industrial Relations (DIR Registration # 1000016424)

H. Fred Hung. PF

President, MGE Engineering, Inc.

6-15-2020

Date

EXHIBIT 10-H2 COST PROPOSAL, Page 1 of 3

			TIMIL TO	EATHER LOTIL COST I NOTOSAL Page 1013	AL rage 101	1.3		
	SPECIFIC	RATE OF C (CONSTRU	COMPENSA JCTION EI	SPECIFIC RATE OF COMPENSATION (USE FOR ON-CALL OR AS-NEEDED CONTRACTS) (CONSTRUCTION ENGINEERING AND INSPECTION CONTRACTS)	L OR AS-NEE CTION CONT	EDED CONTRACTS) TRACTS)		
Note: Mark-ups are Not Allowed Consultant SHN Consulting Engineers	Engineers & C	& Geologists.		Prime Consultant		X Subconsultant	2nd Tier Subconsultant	ıt
Project No.		Contract No.	ct No.	d	articipatio	Participation Amount \$	Date <u>6/17/2020</u>	7/2020
or Combined Rate								
	Fringe Benefit	145.40%	+ Genera	Fringe Benefit 145.40% + General & Administrative 32.40%	%0:	Ш	Combined ICR 177.8%	%8.
				OR				
or Home Office Rate								
	Fringe Benefit	%00.0	+ Gener	Fringe Benefit 0.00% + General & Administrative	0.00%	Ű.	Home Office ICR 0.00%	0.00%
or Field Office Rate								
I	Fringe Benefit	0.00%	+ Gener	Fringe Benefit 0.00% + General &Administrative 0.00%	%00.0	Œ	Field Office ICR	0.00%

%01

II

Fee

\$ 83.80 \$ 111.74 1/1/2020 1 1/1/2020 1 1/1/2022 1/1/2022 1/1/20	BILLING INFORMATION				CALCULATION INFORMATION	N INFORM	ATION	
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* \$ 55.87 \$ 83.80 \$ 111.74 1/1/2020 1 \$ 58.66 \$ 8 87.99 \$ 117.32 1/1/2021 1 1/1/2021 \$ 61.60 \$ 92.39 \$ 123.19 1/1/2022 1 \$ 64.68 \$ 97.01 \$ 129.35 1/1/2022 1 \$ 55.87 \$ 83.80 \$ 111.74 1/1/2020 1 \$ 58.66 \$ 87.99 \$ 117.32 1/1/2020 1 \$ 64.68 \$ 97.01 \$ 129.35 1/1/2021 1 \$ 64.68 \$ 97.01 \$ 129.35 1/1/2021 1 \$ 87.99 \$ 117.32 1/1/2021 1 \$ 87.99 \$ 117.32 1/1/2021 1 \$ 87.99 \$ 117.32 1/1/2021 1 \$ 87.99 \$ 117.32 1/1/2021 1 \$ 87.99 \$ 117.32 1/1/2021 1 \$ 87.99 \$ 117.32 1/1/2021 1 \$ 87.99 \$ 117.32 1/1/2022 1 \$ 87.99 \$ 117.202 1 1 \$ 87.99 \$ 117.202 1 1 \$ 87.99 \$ 117.202 1 1 1 1/1/2022 1 \$ 87.99 \$ 117.202 1 1 1 1/1/2022 1 1 1 1/1/2022 1 1 1 1/1/2022 1 1 1 1/1/2022 1 1 1 1/1/2022 1 1 1 1/1/2023 1 1 1 1/1/2022 1 1 1 1/1/2023 1 1 1 1/1/2023 1 1 1 1/1/2023 1 1 1 1/1/2023 1 1 1 1 1/1/2023 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		To(1.5x)	To(2x)	From	То	hourly rate4	increase	Classification only
\$ 58.66 \$ 87.99 \$ 117.32 1/1/2021 \$ 61.60 \$ 92.39 \$ 123.19 1/1/2022 \$ 64.68 \$ 97.01 \$ 129.35 1/1/2024 \$ 55.91 \$ 101.86 \$ 135.82 1/1/2024 \$ 56.91 \$ 101.86 \$ 117.32 1/1/2024 \$ 56.91 \$ 57.99 \$ 117.32 1/1/2024 \$ 56.91 \$ 57.99 \$ 117.32 1/1/2021 \$ 64.68 \$ 97.01 \$ 129.35 1/1/2022 \$ 57.91 \$ 101.86 \$ 135.82 1/1/2022 \$ 57.91 \$ 101.86 \$ 135.82 1/1/2022 \$ 57.91 \$ 101.86 \$ 135.82 1/1/2024 \$ 57.91 \$ 50.64 \$ 67.53 1/1/2022 \$ 53.76 \$ 53.76 \$ 53.18 \$ 70.90 1/1/2022 1	\$ 55.87		\$ 111.74	1/1/2020	12/31/2020	\$ 50.79	%0	Not Applicable
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33.76 \$ 50.64 \$ 67.53 1/1/2022 1 35.45 \$ 53.18 \$ 70.90 1/1/2023 1		\$ 48.23	\$ 64.31	1/1/2021	12/31/2021	\$ 29.23	2%	
S 53 18 S 70 90 1/1/2023 1		\$ 50.64	\$ 67.53	1/1/2022	12/31/2022	\$ 30.69	2%	
0.00	\$ 35.45	\$ 53.18	\$ 70.90	1/1/2023	12/31/2023	\$ 32.23	2%	
37.22 \$ 55.84 \$ 74.45 1/1/2024 12/3	\$ 37.22	\$ 55.84	•	1/1/2024	12/31/2024	\$ 33.84	2%	

Tim Couevas **	\$ 30.62	\$ 45.94	8	61.25	1/1/2020	12/31/2020	8	27.84	%0	Not Applicable
Survey Rodman		\$ 48.23			1/1/2021	12/31/2021	₩	29.23	2%	L L
	\$ 33.76	\$ 50.64	↔	67.53	1/1/2022	12/31/2022	G	30.69	2%	
		\$ 53.18	₩.	70.90	1/1/2023	12/31/2023	↔	32.23	2%	
	- 1	\$ 55.84	ઝ	74.45	1/1/2024	12/31/2024	↔	33.84	2%	
Tim Couevas **		\$ 45.94	↔	61.25	1/1/2020	12/31/2020	↔	27.84	%0	Not Applicable
Non-Field Technician	\$ 32.16	\$ 48.23	↔	64.31	1/1/2021	12/31/2021	↔	29.23	2%	
	\$ 33.76	\$ 50.64	↔	67.53	1/1/2022	12/31/2022	↔	30.69	2%	
		\$ 53.18	↔	70.90	1/1/2023	12/31/2023	↔	32.23	2%	
	\$ 37.22	\$ 55.84	69	74.45	1/1/2024	12/31/2024	↔	33.84	2%	
Tim Couevas **	- 1	\$ 101.23	↔	134.97	1/1/2020	12/31/2020	ઝ	61.35	%0	Not Applicable
Materials Testing		\$ 106.29		141.72	1/1/2021	12/31/2021	↔	64.42	2%	
		\$ 111.60	↔	148.80	1/1/2022	12/31/2022	↔	67.64	2%	
		\$ 117.18		156.24	1/1/2023	12/31/2023	49	71.02	2%	
	\$ 82.03	\$ 123.04	↔	164.06	1/1/2024	12/31/2024	ઝ	74.57	2%	
Stephen James **		\$ 96.57	क	128.77	1/1/2020	12/31/2020	क	58.53	%0	Not Applicable
Materials Testing	\$ 67.60	\$ 101.40	↔	135.20	1/1/2021	12/31/2021	↔	61.46	2%	
	- 1	\$ 106.47	↔	141.96	1/1/2022	12/31/2022	↔	64.53	2%	
	\$ 74.53	\$ 111.80	↔	149.06	1/1/2023	12/31/2023	↔	92.79	2%	
	- 1	\$ 117.39	8	156.52	1/1/2024	12/31/2024	ક્ક	71.14	2%	
Stephen James **	- 1	\$ 61.43	↔	81.91	1/1/2020	12/31/2020	ઝ	37.23	%0	Not Applicable
Non-Field Technician	- 1	\$ 64.50	↔	86.00	1/1/2021	12/31/2021	↔	39.09	2%	
		\$ 67.73	↔	90.30	1/1/2022	12/31/2022	↔	41.05	2%	
	- 1	\$ 71.11	↔	94.82	1/1/2023	12/31/2023	↔	43.10	2%	
	- 1	\$ 74.67	ઝ	99.56	1/1/2024	12/31/2024	S	45.25	2%	
Steve Peckham **	- 1	\$ 111.21	ᡐ	148.28	1/1/2020	12/31/2020	↔	67.40	%0	Not Applicable
Material Testing	- 1	\$ 116.77	↔	155.69	1/1/2021	12/31/2021	↔	70.77	2%	
	- 1	\$ 122.61	↔	163.48	1/1/2022	12/31/2022	↔	74.31	2%	
	\$ 85.83	\$ 128.74	↔	171.65	1/1/2023	12/31/2023	↔	78.02	2%	
	- 1	\$ 135.18	ક્ક	180.24	1/1/2024	12/31/2024	છ	81.93	2%	
Steve Peckham **	- 1	\$ 47.45	↔	63.27	1/1/2020	12/31/2020	8	28.76	%0	Not Applicable
Non-Field Technician	- 1	\$ 49.83	↔	66.44	1/1/2021	12/31/2021	↔	30.20	2%	
	- 1	\$ 52.32	↔	92'69	1/1/2022	12/31/2022	↔	31.71	2%	
	\$ 36.62	\$ 54.93	↔	73.25	1/1/2023	12/31/2023	↔	33.29	2%	
	\$ 38.45	\$ 57.68	↔	76.91	1/1/2024	12/31/2024	κ	34.96	2%	

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.

accounting period and established by a cognizant agency or accepted by Caltrans. All costs must comply with the Federal cost principles for reimbursement.
4. For named employees and key personnel enter the actual hourly rate. For classifications only, enter the Average Hourly Rate for that classification. 2. The cost proposal format shall not be amended.
3. Billing rate = actual hourly rate * (1+ ICR) * (1+ Fee). Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual

January 2020 Page 5 of 9

EXHIBIT 10-H2 COST PROPOSAL Page 2 of 3

SPECIFIC RATE OF COMPENSATION (USE FOR ON-CALL OR AS-NEEDED CONTRACTS) (CONSTRUCTION ENGINEERING AND INSPECTION CONTRACTS)

			Total					
		0		\$TBD	\$TBD	\$TBD	€\$	6
X Subconsultant	Date 6-17-2020	OF OTHER DIRECT COST ITEMS (Add additional pages as necessary	Unit Cost	\$0.575	0	\$0		
	Date 6-	(Add addition	Unit	Mile	Day	Monthly		
Prime Consultant		T COST ITEMS	Quantity	1	1	1		
SHN Consulting Engineers & Geologists, Inc.	Contract No.	SCHEDULE OF OTHER DIREC	Description of Item				t 1:	1.2:
Consultant	Project No.			Mileage			Subconsultant 1:	Subconsultant 2:

Note: Add additional pages if necessary.

Subconsultant 3: Subconsultant 4: Subconsultant 5:

1. List other direct cost items with estimated costs. These costs should be competitive in their respective industries and supported with appropriate documentation.

⇔ €9

- Proposed ODC items should be consistently billed regardless of client and contract type.
- Items when incurred for the same purpose, in like circumstance, should not be included in any indirect cost pool or in the overhead rate.

 - Items such as special tooling, will be reimbursed at actual cost with supporting documentation (invoice). Items listed above that would be considered "tools of the trade" are not reimbursable as other direct cost. 4. 6. 7.
- Travel related costs should be pre-approved by the contracting agency and shall not exceed current State Department of Personnel Administration rules.
- If mileage is claimed, the rate should be properly supported by the consultant's calculation of their actual costs for company vehicles. In addition, the miles claimed should be supported by mileage logs.
 - If a consultant proposes rental costs for a vehicle, the company must demonstrate that this is its standard procedure for all of their contracts and that they do not own any vehicles that could be used for the same purpose. ∞:
 - The cost proposal format shall not be amended. All costs must comply with the Federal cost principles. 9. The cost proposal format shall not be amended. All coll. Add additional pages if necessary.

 11. Subconsultants must provide their own cost proposals.

EXHIBIT 10-H2 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:

- 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 Service

Prime Consultant or Subconsultant Certifying:

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.

Name:	Thomas M. Herman	Title *: Principal	I	
Signatur	. Syn M Officer	Date of Certification	on (mm/dd/yyyy):	June 22,2020
Email:	therman@shn-engr.com	Phone Number:	707 459-4518	
Address:	335 South Main Street, Willits, CA 95490			
* List serv	An individual executive or financial officer of the lower than a Vice President or a Chief Financial Offinancial information utilized to establish the cost ices the consultant is providing under the proposed	fficer, or equivalent, proposal for the cont	who has authority to re	at a level no present the
Surve	ying and Materials Testing Services			

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: SHN Consulting Engineers & Geologists, 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 Rate177.80	% OR	
Home Office Rate		%
Facilities Capital Cost of Money	% (if applicable)	
Figgal paried #1/1/19 19/01/19		

Fiscal period *1/1/18-12/31/18

* 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 federallyfunded 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 1811 C

Wajor Fraud Act - Title 18 U.S.C. Section 1031
All A&E Contract Information:
 Total participation amount \$11M 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 2. Years of consultant's experience with 48 CFR Part 31 is 20 years Audit history of the consultant's current and prior years (if applicable) Cognizant 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**:Brenda Sigler Title**: CFO
Signature: Date of Certification (mm/dd/yyyy): 8/12/19
Email**: bsigler@shn-engr.com Phone Number**: 707-441-8855
**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

Prevailing Wage Policy

SHN Consulting Engineers & Geologists' prevailing wage policy is as follows:

Covered Services-

- Building/Construction Inspector and Field Soils and Material Tester
- Field Surveyor

Delta Payments-

Wage Deltas are defined as the difference between an employee's rate of pay and the Basic Hourly Rate for included prevailing wage job classifications as listed in the applicable Wage Determination for the location of the work.

Similarly, Fringe Deltas are the difference between the accrued values of fringe benefits provided to SHN employees and the applicable Wage Determination fringe benefits. The hourly value of SHN provided fringe benefits for health insurance and pension are calculated by the actual costs paid by SHN divided by the hours each employee works to earn them. Holiday/vacation benefits are based on the hours an employee is anticipated to work and their rate of pay.

Both Wage and Fringe deltas are paid directly to employees as an increase in their base rate of pay. Wage Deltas are increased to reflect overtime/double time/holiday pay; Fringe Deltas are not increased for overtime/double time/holiday pay.

Accounting Methods for Prevailing Wage Deltas-

Both Wage and Fringe deltas are accrued as direct labor payroll costs and paid to employees biweekly.

Because the deltas are paid as direct labor they lower SHN's indirect cost rate. Deltas are not tracked separately within SHN's accounting software.

Michael K.Foget, CEO

Date

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EXHIBIT 10-H2 COST PROPOSAL Page 1 of 3

		LAUID	7 711-01 11	EARTIBLE TOTILE COST I ROLOSAL Page 1 01 3	AL Fage 1 of 5				
	SPECIFIC	RATE OF COM	PENSATION (U ON ENGINEER	ISE FOR ON-CAL	SPECIFIC RATE OF COMPENSATION (USE FOR ON-CALL OR AS-NEEDED CONTRACTS) (CONSTRUCTION ENGINEERING AND INSPECTION CONTRACTS)	ONTRACTS)			
Note: Mark-ups are Not Allowed									
Consultant DCM Group			☐ Prime	Prime Consultant	X Subc	X Subconsultant			
Project No.		Contract No.	No.		Participation Amount \$	ount \$	TBD	Date 6/15/2020	5/2020
For Combined Rate									
Н	Fringe Benefit	+%	General & Ac	General &Administrative	%	Ü	Combi	Combined ICR =	
				OR					
For Home Office Rate									
μ,	ringe Benefit	29.96% +	General & Ac	Fringe Benefit 29.96% + General & Administrative 44.36%	44.36%	II	Home	Home Office ICR	74.3%
For Field Office Rate									
E.	Fringe Benefit 0.00% + General &Administrative	+ %00.0	General &Ac		%00.0	II	Field (Field Office ICR	%0.0
					Fee	'n			10%
BILLING INFORMATION	Z				CALCULATION	CALCULATION INFORMATION	NOI		
	Hor	Hourly Billing Rates ²	ites ²	Effective da	Effective date of hourly rate	Actual or Avg.	% or \$	Hourly range – for	e – for
Name/Job Tile/Classification	Straight ³	To(1.5x)	To(2x)	From	To	hourly rate ⁴	increase	Classification only	n only
Victoria Castaneda**	\$ 153.40	NA	NA	7/1/2019	12/31/2019	\$ 80.00	%0	Not Applicable	able
Project Manager	\$ 158.00	NA	NA	1/1/2020	12/31/2020	\$ 82.40	3%		
	\$ 162.74	NA	NA	1/1/2021	12/31/2021	\$ 84.87	3%		
	\$ 167.63	NA	NA	1/1/2022	12/31/2022	\$ 87.42	3%		
	\$ 172.65	NA	NA	1/1/2023	12/31/2023	\$ 90.04	3%		
Valerie Ramirez	\$ 51.77	NA	NA	7/1/2019	12/31/2019	\$ 27.00	%0	Not Applicable	able
Labor Compliance Officer	\$ 53.33	NA	NA	1/1/2020	12/31/2020	\$ 27.81	3%		
	\$ 54.93	NA	NA	1/1/2021	12/31/2021	\$ 28.64	3%		

Not Applicable

0% 3% 3%

> 21.63 22.28 22.95

23.64

1/1/2022

88.00

/1/2023

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12/31/2022 12/31/2023 12/31/2019 12/31/2020 12/31/2021 12/31/2022 12/31/2023

1/1/2023

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7/1/2019 1/1/2020 1/1/2021

80.54

NA NA 60.40 82.95 85.44

62.21 64.08 66.00

41.48

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Sophia Catabran Document Management

1/1/2022

^{&#}x27;= Exempt Employee ** = Non- Exempt Employee 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.

^{2.} The cost proposal format shall not be amended.

^{3.} Billing rate = actual hourly rate * (1+ ICR) * (1+ Fee). Indirect cost rates should be based on the consultant's annual accounting period, established by a cognizant agency or accepted by Caltrans. All costs must comply with the Federal cost principles for reimbursement.

^{4.} For named employees and key personnel enter the actual hourly rate. For classifications only, enter the Average Hourly Rate for that classification.

EXHIBIT 10-H2 COST PROPOSAL Page 2 of 3

SPECIFIC RATE OF COMPENSATION (USE FOR ON-CALL OR AS-NEEDED CONTRACTS) (CONSTRUCTION ENGINEERING AND INSPECTION CONTRACTS)

Consultant DCM Group	Group	Prime Consultant		X Subconsultant	
Project No.	Contract No.		Date 6/	Date 6/15/2020	
	SCHEDULE OF OTHER DIRECT COST ITEMS (Add additional pages as necessary)	T COST ITEMS	(Add addir	tional pages as neces	sary)
	Description offtem	Quantity	Unit	Unit Cost	Total
Mileage Costs		1	Mile	0.58	\$TBD
					\$TBD
					\$TBD
Subconsultant 1:					\$TBD
Subconsultant 2:					€\$
Subconsultant 3:					€\$

Note: Add additional pages if necessary.

Subconsultant 4: Subconsultant 5:

1. List other direct cost items with estimated costs. These costs should be competitive in their respective industries and supported with appropriate documentation.

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- Proposed ODC items should be consistently billed regardless of client and contract type.
- Items when incurred for the same purpose, in like circumstance, should not be included in any indirect cost pool or in the overhead rate.
 - Items such as special tooling, will be reimbursed at actual cost with supporting documentation (invoice).
 - Items listed above that would be considered "tools of the trade" are not reimbursable as other direct cost. 4,
- Travel related costs should be pre-approved by the contracting agency and shall not exceed current State Department of Personnel Administration rules.

 If mileage is claimed, the rate should be properly supported by the consultant's calculation of their actual costs for company vehicles. In addition, the miles claimed should be 6.
- supported by mileage logs.
 If a consultant proposes rental costs for a vehicle, the company must demonstrate that this is its standard procedure for all of their contracts and that they do not own any vehicles ∞.
 - The cost proposal format shall not be amended. All costs must comply with the Federal cost principles.
- 10. Add additional pages if necessary.

 11. Subconsultants must provide their own cost proposals.

EXHIBIT 10-H2 COST PROPOSAL Page 3 of 3

Certification of DirectCosts:

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

Prime Consultant or Subconsultant Certifying:

- 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 Service
- 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.

Name: Victoria Castaneda	Title *: Principal
Signature: Víctoria Castaneda	Date of Certification (mm/dd/yyyy): 6/15/2020
Email: victoria@dcmgrp.com	Phone Number: 916.837.8111
Address: 333 University Avenue Suite 200, Sacramne	to, CA 95825
Labor Compliance Services	

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: DCM Group

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 74.32	2% OR		
Home Office Rate	% and	Field Office Rate (if applicable)	%
Facilities Capital Cost of Mo	oney% (if a	pplicable)	
Fiscal period *	1/1/18-12/31/18		

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 federallyfunded 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 <u>Title 23</u> <u>United States Code (U.S.C.) Section 112(b)(2)</u>; <u>48 CFR Part 31.201-2(d)</u>; <u>23 CFR, Chapter 1, Part 172.11(a)(2)</u>; 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

^{*} 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.

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	Contra	ct Inf	ormation:
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All A&E Contract Information:
 Total participation amount \$132,917.81 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 <u>0</u> .
• Years of consultant's experience with 48 CFR Part 31 is 3.
Audit history of the consultant's current and prior years (if applicable)
☐ Cognizant ICR Audit ☐ Local Gov't ICR Audit ☐ Caltrans ICR Audit
☐ CPA ICR Audit ☐ 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 <u>Title 23 U.S.C. Section 112(b)(2)</u> , 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.
$\mathcal{N} = \mathbf{b} \circ \mathcal{N} = \mathbf{b} \circ $
Name**: VICTORIA (A) Mul Title**: TINCIPAL
Signature: Date of Certification (mm/dd/yyyy): 3/13/20
Email**: / Victoria a dange p. Comphone Number**: 9/6 837 8/11

**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



333 University Avenue, Suite 200, Sacramento, CA 95825 (PH) 916-443-2100 (Fax) 916-443-2130

August 16, 2019,

To Whom It May Concern:

DCM Group's work classifications is not subject to the payment of prevailing wages In accordance by the State of California Department of Industrial Relations.

Should you have any questions, please contact me at 916.837.8111.

Sincerely, *Victoria Castaneda*Victoria Castaneda Principal/Owner