

This is **EXHIBIT C**, consisting of 8 pages, referred to in and part of the Agreement between Owner and Engineer for Professional Services dated August 5, 2013.

#### Payments to Engineer for Services and Reimbursable Expenses

Article 4 of the Agreement is amended and supplemented to include the following agreement of the parties:

#### **ARTICLE 4 – INVOICES AND PAYMENTS**

##### *C4.01 Compensation For Basic Services – Standard Hourly Rates Plus Reimbursable Expenses Method of Payment*

A. Owner shall pay Engineer for Basic Services set forth in Exhibit A, except for services of Engineer's Resident Project Representative and Post-Construction Phase services, if any, as follows:

1. An amount equal to the cumulative hours charged to the Project by each class of Engineer's employees times Standard Hourly Rates for each applicable billing class for all services performed on the Project, plus Reimbursable Expenses and Engineer's Consultant's charges, if any.
2. Engineer's Reimbursable Expenses Schedule and Standard Hourly Rates are attached to this Exhibit C as Appendices 1 and 2.
3. The total compensation for services under Paragraph C4.01 is estimated to be \$58,000.00 based on the following assumed distribution of compensation:
  - a. Project Management \$ \_\_\_\_\_
  - b. Preliminary Design Phase \$ \_\_\_\_\_
  - c. Final Design Phase \$ \_\_\_\_\_
  - d. Bidding or Negotiating Phase \$ \_\_\_\_\_
  - e. Construction Phase \$ 58,000.00\*

\*Includes an assumed 150 hours of inspection time, basically 50 3-hour trips to the site. Due to the nature of this construction project, full time inspection is not proposed.

4. Engineer may alter the distribution of compensation between individual phases of the work noted herein to be consistent with services actually rendered, but shall not exceed the total estimated compensation amount unless approved in writing by Owner.
5. The total estimated compensation for Engineer's services included in the breakdown by phases as noted in Paragraph C4.01.A.3 incorporates all labor, overhead, profit, Reimbursable Expenses and Engineer's Consultant's charges.
6. The amounts billed for Engineer's services under Paragraph C4.01 will be based on the cumulative hours charged to the Project during the billing period by each class of Engineer's employees times Standard Hourly Rates for each applicable billing class, plus Reimbursable Expenses and Engineer's Consultant's charges.

*C4.02 Compensation For Resident Project Representative and Post-Construction Basic Services*

A. Owner shall pay Engineer for Resident Project Representative and Post-Construction Basic Services as follows:

1. *Resident Project Representative Services.* For services of Engineer's Resident Project Representative, if any, under Paragraph A1.05 of Exhibit A, an amount based on the following method of payment:
  - a. ~~Lump Sum.~~ A Lump Sum fee amount of \$ \_\_\_\_\_. The Lump Sum includes compensation for the Resident Project Representative's services, and for the services of any direct assistants to the Resident Project Representative. Appropriate amounts have been incorporated in the Lump Sum to account for labor, overhead, profit, and Reimbursable Expenses related to the Resident Project Representative's Services.
  - b. Hourly Rate Plus Reimbursable Expenses. Hourly rates for the Resident Project Representative and direct assistants as specified in Appendix 2 plus Reimbursable Expenses.
  - c. ~~Direct Labor Costs Plus Reimbursable Expenses.~~ An amount equal to the Engineer's Direct Labor Cost times a factor of \_\_\_\_\_ plus Reimbursable Expenses.
  - d. ~~Direct Labor Costs Plus a Fixed Fee Plus Reimbursable Expenses.~~ An amount equal to the Engineer's Direct Labor Cost times a factor of \_\_\_\_\_ plus a fixed fee of \$ \_\_\_\_\_ plus Reimbursable Expenses.

The total compensation under this paragraph is estimated to be \$27,000. (Per A.1.05.A.2 for RPR services, which also references Exhibit D). The total compensation under this paragraph is included within the total compensation for the Construction Phase as identified in C4.01.A.3.e.



2. *Post-Construction Phase Services.* For Post-Construction Phase Services under Paragraph A1.06 of Exhibit A, an amount based on the following method of payment:

- a. ~~Lump Sum.~~ A Lump Sum fee amount of \$ \_\_\_\_\_. The Lump Sum includes compensation for Engineer's post-construction services and such services of Engineer's Consultants, if any. Appropriate amounts have been incorporated in the Lump Sum to account for labor, overhead, profit, and Reimbursable Expenses related to Post-Construction Phase Services.
- b. Hourly Rate Plus Reimbursable Expenses. Hourly rates as specified in Appendix 2 plus Reimbursable Expenses.
- c. ~~Direct Labor Costs Plus Reimbursable Expenses.~~ An amount equal to the Engineer's Direct Labor Cost times a factor of \_\_\_\_\_ plus Reimbursable Expenses.
- d. ~~Direct Labor Costs Plus a Fixed Fee Plus Reimbursable Expenses.~~ An amount equal to the Engineer's Direct Labor Cost times a factor of \_\_\_\_\_ plus a fixed fee of \$ \_\_\_\_\_ plus Reimbursable Expenses.

The total compensation under this paragraph is estimated to be \$ 870.00. The total compensation under this paragraph is included within the total compensation for the Construction Phase as identified in C4.01,A.3.e.

#### C4.03 *Compensation For Additional Services*

A. Owner shall pay Engineer for Additional Services as follows:

- 1. *General.* For services of Engineer's employees engaged directly on the Project pursuant to Paragraph A2.01 or A2.02 of Exhibit A of the Agreement, except for services as a consultant or witness under Paragraph A2.01.A.20, an amount equal to a fee determined by the method of payment for basic services in paragraph C4.01, or a lump sum amount negotiated between the Owner and Engineer for specific additional work tasks performed by the Engineer.
- 2. *Serving as a Witness.* For services performed by Engineer's employees as witnesses giving testimony in any litigation, arbitration, or other legal or administrative proceeding under paragraph A2.01.A.20, at the rate of 1.5 times the rates shown in Appendix 1 of Exhibit C per day or any portion thereof (but compensation for time spent in preparing to testify in any such litigation, arbitration, or proceeding will be on the basis provided in paragraph C4.03.A.1). Compensation for Engineer's Consultants for such services will be on the basis provided in paragraph C4.05.

3. *Construction Staking Services.* For Construction Staking Services, under Paragraph A2.01.15 of Exhibit A, an amount based on the following method of payment:

- a. ~~Lump Sum.~~ A Lump Sum fee amount of \$ \_\_\_\_\_. The Lump Sum includes compensation for the Construction Staking Services, and for the services of any direct assistants to the surveyor. Appropriate amounts have been incorporated in the Lump Sum to account for labor, overhead, profit, and Reimbursable Expenses related to the Construction Staking Services.
- b. Hourly Rate Plus Reimbursable Expenses. Hourly rates for the Surveyor and direct assistants as specified in Appendix 2 plus Reimbursable Expenses.
- c. ~~Direct Labor Costs Plus Reimbursable Expenses.~~ An amount equal to the Engineer's Direct Labor Cost times a factor of \_\_\_\_\_ plus Reimbursable Expenses.
- d. ~~Direct Labor Costs Plus a Fixed Fee Plus Reimbursable Expenses.~~ An amount equal to the Engineer's Direct Labor Cost times a factor of \_\_\_\_\_ plus a fixed fee of \$ \_\_\_\_\_ plus Reimbursable Expenses.

The total compensation under this paragraph is estimated to be \$ 425.00 . The total compensation under this paragraph is included within the total compensation for the Construction Phase as identified in C4.01,A.3.e.

4. *Materials Testing Services.* For Materials Testing Services, under Paragraph A2.01.23 of Exhibit A, an amount based on the following method of payment:

- a. ~~Lump Sum.~~ A Lump Sum fee amount of \$ \_\_\_\_\_. The Lump Sum includes compensation for the Materials Testing Services, and for the services of any direct assistants to the technician. Appropriate amounts have been incorporated in the Lump Sum to account for labor, overhead, profit, and Reimbursable Expenses related to the Materials Testing Services.
- b. Hourly Rate Plus Reimbursable Expenses. Hourly rates for the Materials Testing Technician and direct assistants as specified in Appendix 2 plus Reimbursable Expenses.
- c. ~~Direct Labor Costs Plus Reimbursable Expenses.~~ An amount equal to the Engineer's Direct Labor Cost times a factor of \_\_\_\_\_ plus Reimbursable Expenses.
- d. ~~Direct Labor Costs Plus a Fixed Fee Plus Reimbursable Expenses.~~ An amount equal to the Engineer's Direct Labor Cost times a factor of \_\_\_\_\_ plus a fixed fee of \$ \_\_\_\_\_ plus Reimbursable Expenses.



The total compensation under this paragraph is estimated to be \$ 3,600.00. The total compensation under this paragraph is included within the total compensation for the Construction Phase as identified in C4.01,A.3.e.

#### *C4.04 Compensation For Reimbursable Expenses*

- A. Owner shall pay Engineer for all Reimbursable Expenses at the rates set forth in Appendix I to this Exhibit C.
- B. Reimbursable Expenses include the following categories: transportation and subsistence incidental thereto; obtaining bids or proposals from Contractor(s); providing and maintaining field office facilities including furnishings and utilities; reproduction of reports, Drawings, Specifications, Bidding Documents, and similar Project-related items in addition to those required under Exhibit A ~~and, if authorized in advance by Owner, overtime work requiring higher than regular rates.~~ In addition, if authorized in advance by Owner, Reimbursable Expenses will also include expenses incurred for ~~computer time~~ and the use of other highly specialized equipment. Expenses related to the Engineer's project support systems associated with telephone, fax equipment, computer equipment and related peripheral equipment shall be a reimbursable expense applied to the project as a Technology and Communications Charge rate per month.
- C. The amounts payable to Engineer for Reimbursable Expenses will be the Project-related internal expenses actually incurred or allocated by Engineer, plus all invoiced external Reimbursable Expenses allocable to the Project, the latter multiplied by a factor of 1.05.
- D. The Reimbursable Expenses Schedule will be adjusted annually to reflect equitable changes in the compensation payable to Engineer.

#### *C4.05 Other Provisions Concerning Payment*

- A. Whenever Engineer is entitled to compensation for the charges of Engineer's Consultants, those charges shall be the amounts billed by Engineer's Consultants to Engineer times a factor of 1.05.
- B. Factors. The external Reimbursable Expenses and Engineer's Consultant's factors include Engineer's overhead and profit associated with Engineer's responsibility for the administration of such services and costs.
- C. Estimated Compensation Amounts
  - 1. ~~Engineer's estimate of the amounts that will become payable for specified services are only estimates for planning purposes, are not binding on the parties, and are not the minimum or maximum amounts payable to Engineer under the Agreement.~~ Compensation by the Owner for Engineer's basic Services, identified in Exhibit A

– “Engineer’s Services”, are defined under Exhibit C – “Payments to Engineer for Services and Reimbursable Expenses”. For Additional Services outside of the Basic Services, the Engineer shall notify the Owner in accordance with the Additional Services provisions in Exhibit A. The Engineer shall not exceed the indicated Agreement amount without prior written approval from the Owner. The total compensation amount indicated in the Agreement represents the maximum contract amount that shall not be exceeded. The sum of the Engineering monthly invoices may not exceed the compensation amount in the Agreement, but may be less than the Agreement compensation amount. With each monthly Engineering Application for Payment, the Engineer shall provide an up to date summary indicating the total Engineering costs to date and the estimated completion percentage of the design or construction services complete. Engineer shall also provide updated summary schedule in the graphical form of Appendix 2, Exhibit A.

2. When estimated compensation amounts have been stated herein and it subsequently becomes apparent to Engineer that a compensation amount thus estimated will be exceeded, Engineer shall give Owner written notice thereof. Promptly thereafter Owner and Engineer shall review the matter of services remaining to be performed and compensation for such services. Owner shall either agree to such compensation exceeding said estimated amount or Owner and Engineer shall agree to a reduction in the remaining services to be rendered by Engineer, so that total compensation for such services will not exceed said estimated amount when such services are completed.
- D. To the extent necessary to verify Engineer’s charges and upon Owner’s timely request, Engineer shall make copies of such records available to Owner at cost.

This is **Appendix 1** to **EXHIBIT C**, consisting of 1 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated August 5, 2013.

### Reimbursable Expenses Schedule

Current agreements for engineering services stipulate that the Reimbursable Expenses are subject to review and adjustment per Exhibit C. Reimbursable expenses for services performed on the date of the Agreement are:



Effective May 1, 2011

#### WYOMING FEE SCHEDULE

##### Equipment, Materials, & Supplies

ATVs	=	\$150.00/day		
Boat/Trailer	=	\$150.00/day		
		<u>DAY</u>	<u>WEEK</u>	<u>MONTH</u>
2 GPS Receivers (Survey Quality)		\$400.00	\$1,600.00	\$4,800.00
Single/Each Additional Receiver		\$200.00	\$800.00	\$2,400.00

##### Travel, Mileage, & Miscellaneous

Per diem will be billed after 6 hours in the field and when more than 50 miles from the office at 1/4 rate for every 6 hours or portion of a quarter day greater than 3 hours. For the day of departure, the day begins at time of departure. For the day of return, the day ends when employee arrives at authorized point of destination (office, home, etc.).

Per diem (per person, per day Wyoming)	=	\$51.00/day
Lodging	=	cost per night
Airfare	=	cost
Vehicle Usage - Automobiles	=	0.75/mile
Vehicle Usage - Pickups, Suburban	=	1.00/mile
Printing/Supplies/Phone/Fax/Postage	=	Note 2
Specialized Software/Hardware	=	Note 3
Subcontractors	=	Cost + 10%
Laboratory Analysis	=	Cost + 10%
Other/Miscellaneous	=	Cost + 10%

##### Notes

1. DOWL HKM's Professional Fee Services Fee Schedule is subject to adjustment each year (May 1<sup>st</sup>) or at the end of a contract period, whichever is appropriate. Should adjustments be anticipated or required, such adjustments will not affect existing contracts without prior agreement between Customer and DOWL HKM.
2. Costs included in overhead rates for reasonable requests. Requests beyond those considered reasonable by the project manager billed at Cost + Agreed Upon Mark-up.
3. Specialized computer software or hardware necessary for a unique application for will be billed at a negotiated rate or unit cost.



This is **Appendix 2 to EXHIBIT C**, consisting of 1 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated August 5, 2013.

## Standard Hourly Rates Schedule

### E. Standard Hourly Rates

1. Standard Hourly Rates are set forth in this Appendix 2 to this Exhibit C and include salaries and wages paid to personnel in each billing class plus the cost of customary and statutory benefits, general and administrative overhead, non-project operating costs, and operating margin or profit. Hourly rates for services performed on or after the date of the Agreement are:

Effective May 1, 2011



**DOWL HKM**

#### WYOMING FEE SCHEDULE

##### Personnel Billing Rates

Senior Manager	\$180.00
Engineer VI	\$150.00
Engineer V	\$135.00
Engineer IV	\$115.00
Engineer III	\$95.00
Engineer II	\$85.00
Engineer I	\$72.00
Engineering Technician IV*	\$100.00
Engineering Technician III *	\$85.00
Engineering Technician II *	\$70.00
Engineering Technician I *	\$50.00
Geologist III	\$115.00
Geologist II	\$95.00
Laboratory Manager	\$85.00
Laboratory Technician *	\$60.00
Inspector *	\$85.00
Survey Manager	\$150.00
Professional Land Surveyor *	\$95.00
Crew Chief *	\$70.00
2 Person Survey Crew	\$150.00
3 Person Survey Crew	\$190.00
Survey Technician *	\$50.00
Accounting Technician *	\$70.00
Marketing Assistant *	\$60.00
Administrative Assistant *	\$55.00

\*Subject to overtime of 1.5 times above rates

##### Notes

1. DOWL HKM's Professional Fee Services Fee Schedule is subject to adjustment each year (May 1<sup>st</sup>) or at the end of a contract period, whichever is appropriate. Should adjustments be anticipated or required, such adjustments will not affect existing contracts without prior agreement between Customer and DOWL HKM.
2. Costs included in overhead rates for reasonable requests. Requests beyond those considered reasonable by the project manager billed at Cost + Agreed Upon Mark-up.
3. Specialized computer software or hardware necessary for a unique application for will be billed at a negotiated rate or unit cost.

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EJCDC E-500 Standard Form of Agreement Between Owner and Engineer for Professional Services.  
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