

September 08, 2025

Ms. Emily Sinkhorn
Environmental Services Director
City of Arcata
736 F Street
Arcata, CA 95521

Annie and Mary Trail Construction Phase Support – Modification 1

Dear Ms. Sinkhorn,

GHD has prepared this supplemental scope of services for additional services requested by the City of Arcata (City) to support the Annie and Mary Trail Project. The assumptions, terms, and conditions of the prime agreement approved by the City Council in August 2025 remain applicable.

SCOPE OF SERVICES

GHD will provide as-requested construction period support services on a time and materials basis based on the availability of authorized budget. A general description of these anticipated services is included below. The actual services provided may vary depending on project needs, contractor characteristics, requests of the City, budget, and other factors.

Task 4 – As-Needed Construction Phase Support Services

GHD teaming partner SHN will provide as-needed construction phase support services for the Annie & Mary Trail project. The support services will include internal administrative and project management services requested by the City. SHN may provide the following as-requested construction engineering support services for the project:

- General correspondence with the City’s Resident Engineer (RE) and Construction Inspector,
- General engineering consultation and support,
- Assist with review of material submittals and shop drawings,
- Conduct site visits to review specific construction items,
- Project closeout support (final walkthrough and punch list),
- Geotechnical support;
- Materials testing and special inspection (MTSI); and
- Supplemental onsite construction inspection.

During construction, GHD will coordinate with the City and SHN, monitor the task expenditures and budget, and provide monthly invoicing. In addition, the GHD botanist will be available to provide advisory services to support revegetation, planting, seed mixes, and related design details. MTSI services for the project may include compaction testing, concrete sampling and compressive strength laboratory testing, and/or paving inspections.

Task 4 Deliverables

- Deliverables will vary, depending on the support services requested by the City throughout the construction of the project.

Task 4 Limitations

SHN's ability to accept construction support tasks requested by the City will depend on our availability and capacity at the time of the request. While we will endeavor to assist when requested, SHN is not under obligation to provide support on all requests. A letter of conformance or written correspondence from SHN indicating the project was constructed in accordance with the recommendations in our geotechnical report is not included in this scope of work

ASSUMPTIONS AND EXCLUSIONS

This scope of services is based on the tasks described above which are anticipated for the project, and the following assumptions:

- All deliverables will be provided as electronic PDFs unless otherwise requested by the City;
- The City is responsible for the overall construction management and inspection and will provide a RE and construction inspectors for the project. GHD will supplement the City's team and provide as-requested support services to assist the City;
- The City will be responsible for labor compliance oversight and documentation, including but not limited to employee interviews, reviewing certified payrolls, and checking prevailing wage rates;
- The City will be responsible for preparation of Caltrans Reimbursement Requests, Notice of Completion, Final Reports and Expenditures, and other documentation not identified in the above scope. Participation in Caltrans or FHWA audits is not included;
- Construction staking/layout, observation, and inspection is not included;
- GHD assumes the City will complete required pre- and post-construction notifications to permitting agencies as described in the project's permit documents. This scope does not include post-construction wetland monitoring and reporting services except where detailed in Task 4 above;
- The contractor is responsible for construction means and methods, and site safety;
- The GHD team will provide support services as requested by the City up to the authorized budget amount; and
- Should additional services not identified in this scope be request or required, they can be provided as budget allows, or through a budget amendment.

COMPENSATION

GHD and teaming partner SHN will provide the services outline in the above scope on a time and materials, as-requested basis, up to the budgeted amount. The services required to complete the project may be different than those identified in the tasks above and will depend on the involvement and requests by the City, other agencies, as well as actual field conditions, contractor characteristics and other factors. GHD will provide construction period support services as requested by the City up to the authorized budget amount. Should the effort to complete requested services exceed the budgeted amount, a budget amendment would be required.

Table 1 Fee Summary

Agreement	Amount
Prime Construction-Phase Support Agreement	\$95,739.62
Modification 1	\$86,681.60
New Total	\$182,421.22

GHD looks forward to continuing to support the City with this project. Please contact me if you have any questions or would like to meet to discuss the information contained in this proposal.

Regards,



Andrea Hilton
Sr. Environmental Planner
707-267-2262
andrea.hilton@ghd.com



City of Arcata
Annie and Mary Trail Project

Construction-phase Support
8-Sep-25

Task	Class>> Hourly Rate (Year 1)>>	A003 - Senior	A004 -	A005 -	A006 - Senior	A007 - Senior	A008 -	A009 -	D008-D010 -	Total GHD	SHN	ODC's (Local	Totals
		Tech Director 3	Technical	Technical	Professional 1	Professional 2	Professional 1	Professional 2	Project				
		\$286.31	\$266.25	\$240.38	\$199.41	\$174.84	\$151.88	\$138.55	\$118.66	Fees		Mileage)	
Task 4: As-Needed Construction Phase Support Services													
Task 4 – As-Needed Construction Phase Support Services		4	60			20			6	\$21,328.84	\$64,484.85	\$210.00	\$86,023.69
Total Hours		4	60	0	0	20	0	0	6				
Total Cost		\$1,145.22	\$15,974.88	\$0.00	\$0.00	\$3,496.76	\$0.00	\$0.00	\$711.98	\$21,328.84	\$64,484.85	\$210.00	\$86,023.69
Anticipated Salary Increases										\$447.91			\$447.91
TOTAL HOURS		4	60	0	0	20	0	0	6				
TOTAL FEES		\$1,145.22	\$15,974.88	\$0.00	\$0.00	\$3,496.76	\$0.00	\$0.00	\$711.98	\$21,776.75	\$64,484.85	\$420.00	\$86,681.60

Note: Hourly rates to be based on Indirect Cost Rate (ICR) procedures [Billing rate= actual hourly rate * (1+ ICR) * (1+ Fee)]



COST PROPOSAL
 City of Arcata
 Annie and Mary Trail Project

Note: Mark-ups are Not Allowed

X Prime Consultant Subconsultant 2nd Tier Subconsultant

Consultant: **GHD Inc.**

Project: Construction-phase Support

Date: 9/8/2025

DIRECT LABOR

Classification/Title	Name	hours	Actual or Ave. Hourly Rate	Total
A001 - Senior Tech Director 1	TBD	0	\$103.13	\$0.00
A002 - Senior Tech Director 2	TBD	0	\$92.48	\$0.00
A003 - Senior Tech Director 3	TBD	4	\$90.93	\$363.70
A004 - Technical Director 1	TBD	60	\$84.56	\$5,073.30
A005 - Technical Director 2	TBD	0	\$76.34	\$0.00
A006 - Senior Professional 1	TBD	0	\$63.33	\$0.00
A007 - Senior Professional 2	TBD	20	\$55.53	\$1,110.50
A008 - Professional 1	TBD	0	\$48.24	\$0.00
A009 - Professional 2	TBD	0	\$44.00	\$0.00
A010 - Professional 3	TBD	0	\$40.53	\$0.00
A011 - Vacationer /Intern	TBD	0	\$24.67	\$0.00
B001 - Lead Design Technician 1	TBD	0	\$86.19	\$0.00
B002 - Lead Design Technician 2	TBD	0	\$77.17	\$0.00
B003 - Lead Design Technician 3	TBD	0	\$65.48	\$0.00
B004 - Sr Design Technician 1	TBD	0	\$59.47	\$0.00
B005 - Sr Design Technician 2	TBD	0	\$53.99	\$0.00
B006 - Design Technician 1	TBD	0	\$48.94	\$0.00
B007 - Design Technician 2	TBD	0	\$42.23	\$0.00
B008 - Drafting /Design 1	TBD	0	\$37.95	\$0.00
B009 - Drafting /Design 2	TBD	0	\$33.25	\$0.00
B010 - Drafting /Design 3	TBD	0	\$42.22	\$0.00
B011 - Drafting /Design 4	TBD	0	\$27.57	\$0.00
B012 - Intern Drafting /Design	TBD	0	\$26.07	\$0.00
D008-D010 - Project Support 4	TBD	6	\$37.69	\$226.11
Total Hours		90		

LABOR COSTS

a) Subtotal Direct Labor Costs		\$6,773.61
b) Anticipated Salary Increases		\$142.25
c) TOTAL DIRECT LABOR COSTS [(a) + (b)]		\$6,915.86

INDIRECT COSTS

d) Fringe Benefits (Rate: 28.09%)	e) Total Fringe Benefits [(c) x (d)]	\$1,942.66
f) Overhead (Rate: 145.72%)	g) Overhead [(c) x (f)]	\$10,077.79
h) General and Administrative (Rate: 0.000%)	i) Gen & Admin [(c) x (h)]	\$0.00
j) Total Indirect Costs [(e) + (g) + (i)]		\$12,020.45

FIXED FEE	Fixed Fee: 15.00%	k) TOTAL FIXED FEE [(c) + (j)] x fixed fee	\$2,840.45
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l) CONSULTANT'S OTHER DIRECT COSTS (ODC) – ITEMIZE (Add additional pages if necessary)

Description of Item	Quantity	Unit(s)	Unit Cost	Total
Mileage	71	Mile	\$0.700	\$420.00
l) TOTAL OTHER DIRECT COSTS				\$420.00

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

Subconsultant 5:	SHN	\$64,484.85
m) TOTAL SUBCONSULTANTS' COSTS		\$64,484.85

n) TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS [(l)+(m)]	\$64,904.85
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TOTAL COST [(c) + (j) + (k) + (n)]	\$86,681.60
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ANTICIPATED SALARY INCREASES

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

Direct Labor Subtotal per Cost Proposal	Total Hours per Cost Proposal	=	Avg Hourly Rate	5 Year Contract Duration
\$6,773.61	90	=	\$75.26	Year 1 Avg Hourly Rate

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

	Avg Hourly Rate		Proposed Escalation			
Year 1	\$75.26	+	3.0%	=	\$77.52	Year 2 Avg Hourly Rate
Year 2	\$77.52	+	3.0%	=	\$79.85	Year 3 Avg Hourly Rate
Year 3	\$79.85	+	3.0%	=	\$82.24	Year 4 Avg Hourly Rate
Year 4	\$82.24	+	3.0%	=	\$84.71	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	30.00%	*	90.0	=	27.0	Estimated Hours Year 1
Year 2	70.00%	*	90.0	=	63.0	Estimated Hours Year 2
Year 3	0.00%	*	90.0	=	0.0	Estimated Hours Year 3
Year 4	0.00%	*	90.0	=	0.0	Estimated Hours Year 4
Year 5	0.00%	*	90.0	=	0.0	Estimated Hours Year 5
Total	100%		Total	=	90.0	

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	\$75.26	*	27	=	\$2,032.08	Estimated Hours Year 1
Year 2	\$77.52	*	63	=	\$4,883.77	Estimated Hours Year 2
Year 3	\$79.85	*	0	=	\$0.00	Estimated Hours Year 3
Year 4	\$82.24	*	0	=	\$0.00	Estimated Hours Year 4
Year 5	\$84.71	*	0	=	\$0.00	Estimated Hours Year 5
Total Direct Labor Cost with Escalation				=	\$6,915.86	
Direct Labor Subtotal before Escalation				=	\$6,773.61	
Estimated total of Direct Labor Salary Increase				=	\$142.25	

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: Josh Wolf Title *: Vice President

Signature:  Date of Certification (mm/dd/yyyy): 9/8/2025

Email: josh.wolf@ghd.com Phone Number: 707-443-8326

Address: 718 Third Street, Eureka CA 95501

*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:

Engineering Support, Environmental Services, and related services.

EXHIBIT 10-H1 COST PROPOSAL Page 1 OF 3
COST-PLUS-FIXED FEE OR LUMP SUM OR FIRM FIXED PRICE CONTRACTS
(CONSTRUCTION PHASE - Engineering (SHN Task 1))

Note: Mark-ups are Not Allowed Prime Consultant Subconsultant 2nd Tier Subconsultant

Consultant SHN Consulting Engineers & Geologist, Inc.

Project No. Arcata Annie & Mary Trail Connectivity Project Contract No. _____ Date 8/20/2025

DIRECT LABOR

Classification/Title	Name	Hours	Actual Hourly Rate	Total
Principal Civil Engineer*	Jared O'Barr	16	\$76.00	\$1,216.00
Project Engineer	Jordan Ludtke	20	\$54.62	\$1,092.40
Staff Engineer	Kyle Reese	20	\$41.82	\$836.40
Staff Engineer	Cole Collings	20	\$42.08	\$841.60
Construction Observer**	Jordan Ludtke	20	\$82.97	\$1,659.40
Construction Observer**	Kyle Reese	20	\$84.66	\$1,693.20
Construction Observer**	Anson Call	15	\$77.37	\$1,160.55
Technical Writer	Allison Edrington	4	\$33.57	\$134.28
Project Manager/Project Geologist*	Alyssa Troia	15	\$43.11	\$646.65

Total Hours 150

LABOR COSTS

a) Subtotal Direct Labor Costs	\$9,280.48
b) Anticipated Salary Increases (see page 2 for calculation)	\$162.41
c) TOTAL DIRECT LABOR COSTS [(a) + (b)]	\$9,442.89

INDIRECT COSTS

d) Fringe Benefits (Rate: <u>74.60%</u>)	e) Total Fringe Benefits [(c) x (d)]	\$7,044.39
f) Overhead (Rate: <u>70.04%</u>)	g) Overhead [(c) x (f)]	\$6,613.80
h) General and Administrative (Rate: <u>34.90%</u>)	i) Gen & Admin [(c) x (h)]	\$3,295.57
j) TOTAL INDIRECT COSTS [(e) + (g) + (i)]		\$16,953.76

FIXED FEE

(Rate: 10.00%) **k) TOTAL FIXED FEE [(c) + (j)] x (q)** \$2,639.67

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

Description of Item	Quantity	Unit	Unit Cost	Total
Mileage Costs	200	mi	\$ 0.700	\$140.00
l) TOTAL OTHER DIRECT COSTS				\$140.00

m) TOTAL SUBCONSULTANTS' COSTS _____

n) TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS [(l)+(m)] \$140.00

TOTAL COST [(c) + (j) + (k) + (n)] \$29,176.32

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. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.
3. Anticipated salary increases calculation (page 2) must accompany.

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

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

Direct Labor <u>Subtotal</u> per Cost Proposal \$9,280.48	Total Hours per Cost Proposal 150	=	Avg Hourly Rate \$61.87	5 Year Contract Duration Year 1 Avg Hourly Rate
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2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

	Avg Hourly Rate		Proposed Escalation			
Year 1	\$61.87	+	3.5%	=	\$64.04	Year 2 Avg Hourly Rate
Year 2	\$64.04	+	3.5%	=	\$66.28	Year 3 Avg Hourly Rate
Year 3	\$66.28	+	3.5%	=	\$68.60	Year 4 Avg Hourly Rate
Year 4	\$68.60	+	3.5%	=	\$71.00	Year 5 Avg Hourly Rate
Year 5	\$71.00	+	3.5%	=	\$73.48	Year 6 Avg Hourly Rate
Year 6	\$73.48	+	3.5%	=	\$76.05	Year 7 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	50.00%	*	150.0	=	75.0	Estimated Hours Year 1
Year 2	50.00%	*	150.0	=	75.0	Estimated Hours Year 2
Year 3	0.00%	*	150.0	=	0.0	Estimated Hours Year 3
Year 4	0.00%	*	150.0	=	0.0	Estimated Hours Year 4
Year 5	0.00%	*	150.0	=	0.0	Estimated Hours Year 5
Year 6	0.00%	*	150.0	=	0.0	Estimated Hours Year 6
Total	100%		Total	=	150.0	

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	\$61.87	*	75.0	=	\$4,640.24	Estimated Hours Year 1
Year 2	\$64.04	*	75.0	=	\$4,802.65	Estimated Hours Year 2
Year 3	\$66.28	*	0.0	=	\$0.00	Estimated Hours Year 3
Year 4	\$68.60	*	0.0	=	\$0.00	Estimated Hours Year 4
Year 5	\$71.00	*	0.0	=	\$0.00	Estimated Hours Year 5
Year 6	\$73.48	*	0.0	=	\$0.00	Estimated Hours Year 6
	Total Direct Labor Cost with Escalation			=	\$9,442.89	
	Direct Labor Subtotal before Escalation			=	\$9,280.48	
	Estimated total of Direct Labor Salary Increase			=	\$162.41	Transfer to Page 1

NOTES:

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

EXHIBIT 10-H1 COST PROPOSAL Page 1 OF 3
COST-PLUS-FIXED FEE OR LUMP SUM OR FIRM FIXED PRICE CONTRACTS
 (CONSTRUCTION PHASE - Geotechnical - SHN Task 2)

Note: Mark-ups are Not Allowed Prime Consultant Subconsultant 2nd Tier Subconsultant

Consultant **SHN Consulting Engineers & Geologist, Inc.**

Project No. Arcata Annie & Mary Trail Connectivity Project Contract No. _____ Date 9/5/2025

DIRECT LABOR

Classification/Title	Name	Hours	Actual Hourly Rate	Total
Senior Engineering Geologist	Gary Simpson	18	\$82.00	\$1,476.00
Senior Geotechnical Engineer	John Dailey	2	\$64.14	\$128.28
Project Manager/Project Geologist*	Alyssa Troia	1	\$43.11	\$43.11

Total Hours 21

LABOR COSTS

a) Subtotal Direct Labor Costs	\$1,647.39
b) Anticipated Salary Increases (see page 2 for calculation)	\$28.83
c) TOTAL DIRECT LABOR COSTS [(a) + (b)]	\$1,676.22

INDIRECT COSTS

d) Fringe Benefits (Rate: <u>74.60%</u>)	e) Total Fringe Benefits [(c) x (d)]	\$1,250.46
f) Overhead (Rate: <u>70.04%</u>)	g) Overhead [(c) x (f)]	\$1,174.02
h) General and Administrative (Rate: <u>34.90%</u>)	i) Gen & Admin [(c) x (h)]	\$585.00
j) TOTAL INDIRECT COSTS [(e) + (g) + (i)]		\$3,009.48

FIXED FEE (Rate: 10.00%) **k) TOTAL FIXED FEE [(c) + (j)] x (q)** align="right">\$468.57

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

Description of Item	Quantity	Unit	Unit Cost	Total
Mileage Costs	220	mi	\$ 0.700	\$154.00
l) TOTAL OTHER DIRECT COSTS				\$154.00

m) TOTAL SUBCONSULTANTS' COSTS _____

n) TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS [(l)+(m)] align="right">\$154.00

TOTAL COST [(c) + (j) + (k) + (n)] align="right">**\$5,308.27**

NOTES:

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

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

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

Direct Labor <u>Subtotal</u>	Total Hours		Avg Hourly	5 Year Contract
per Cost Proposal	per Cost Proposal	=	Rate	Duration
\$1,647.39	21		\$78.45	Year 1 Avg Hourly Rate

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

	Avg Hourly Rate		Proposed Escalation		
Year 1	\$78.45	+	3.5%	=	\$81.19 Year 2 Avg Hourly Rate
Year 2	\$81.19	+	3.5%	=	\$84.03 Year 3 Avg Hourly Rate

Year 3	\$84.03	+	3.5%	=	\$86.98	Year 4 Avg Hourly Rate
Year 4	\$86.98	+	3.5%	=	\$90.02	Year 5 Avg Hourly Rate
Year 5	\$90.02	+	3.5%	=	\$93.17	Year 6 Avg Hourly Rate
Year 6	\$93.17	+	3.5%	=	\$96.43	Year 7 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	50.00%	*	21.0	=	10.5	Estimated Hours Year 1
Year 2	50.00%	*	21.0	=	10.5	Estimated Hours Year 2
Year 3	0.00%	*	21.0	=	0.0	Estimated Hours Year 3
Year 4	0.00%	*	21.0	=	0.0	Estimated Hours Year 4
Year 5	0.00%	*	21.0	=	0.0	Estimated Hours Year 5
Year 6	0.00%	*	21.0	=	0.0	Estimated Hours Year 6
Total	100%		Total	=	21.0	

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	\$78.45	*	10.5	=	\$823.70	Estimated Hours Year 1
Year 2	\$81.19	*	10.5	=	\$852.52	Estimated Hours Year 2
Year 3	\$84.03	*	0.0	=	\$0.00	Estimated Hours Year 3
Year 4	\$86.98	*	0.0	=	\$0.00	Estimated Hours Year 4
Year 5	\$90.02	*	0.0	=	\$0.00	Estimated Hours Year 5
Year 6	\$93.17	*	0.0	=	\$0.00	Estimated Hours Year 6
	Total Direct Labor Cost with Escalation			=	\$1,676.22	
	Direct Labor Subtotal before Escalation			=	\$1,647.39	
	Estimated total of Direct Labor Salary Increase			=	\$28.83	Transfer to Page 1

NOTES:

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

Exhibit 10-H1 Cost Proposal Page 3 of 3

Certification of Direct Costs:

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

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

EXHIBIT 10-H1 COST PROPOSAL Page 1 OF 3
COST-PLUS-FIXED FEE OR LUMP SUM OR FIRM FIXED PRICE CONTRACTS
(CONSTRUCTION PHASE - Materials Testing/Special Inspection - SHN Task 3)

Note: Mark-ups are Not Allowed Prime Consultant Subconsultant 2nd Tier Subconsultant

Consultant SHN Consulting Engineers & Geologist, Inc.

Project No. Arcata Annie & Mary Trail Connectivity Project Contract No. _____ Date 9/5/2025

DIRECT LABOR

Classification/Title	Name	Hours	Actual Hourly Rate	Total
Senior Special Inspector	Anson Call	6	\$37.88	\$227.28
Special Inspector	Zack Arnold	6	\$27.49	\$164.94
Lab Administration	Kelsee Holland	4	\$31.80	\$127.20
Lab Administration	Kendall Wieman	4	\$32.86	\$131.44
Special Inspector-Group 3**	Anson Call	30	\$68.16	\$2,044.80
Special Inspector-Group 4**	Anson Call	24	\$62.19	\$1,492.56
Special Inspector-Group 3**	Zach Arnold	30	\$78.28	\$2,348.40
Special Inspector-Group 4**	Zack Arnold	24	\$72.31	\$1,735.44
Project Manager/Project Geologist*	Alyssa Troia	8	\$43.11	\$344.88

LABOR COSTS

Total Hours 136

a) Subtotal Direct Labor Costs	\$8,616.94
b) Anticipated Salary Increases (see page 2 for calculation)	\$150.80
c) TOTAL DIRECT LABOR COSTS [(a) + (b)]	\$8,767.74

INDIRECT COSTS

d) Fringe Benefits (Rate: <u>74.60%</u>)	e) Total Fringe Benefits [(c) x (d)]	\$6,540.73
f) Overhead (Rate: <u>70.04%</u>)	g) Overhead [(c) x (f)]	\$6,140.92
h) General and Administrative (Rate: <u>34.90%</u>)	i) Gen & Admin [(c) x (h)]	\$3,059.94
j) TOTAL INDIRECT COSTS [(e) + (g) + (i)]		\$15,741.59

FIXED FEE (Rate: 10.00%) **k) TOTAL FIXED FEE [(c) + (j)] x (q)** \$2,450.93

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

Description of Item	Quantity	Unit	Unit Cost	Total
Compaction Curve	6	test	\$325	\$1,950
Nuclear Density Gauge	8	day	\$100	\$800
Rice Specific Gravity	1	test	\$150	\$150
Mileage Costs	200	mi	\$0.70	\$140.00

l) TOTAL OTHER DIRECT COSTS \$3,040.00

m) TOTAL SUBCONSULTANTS' COSTS _____

n) TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS [(l)+(m)] \$3,040.00

TOTAL COST [(c) + (j) + (k) + (n)] \$30,000.26

NOTES:

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

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

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

Direct Labor <u>Subtotal</u> per Cost Proposal \$8,616.94	Total Hours per Cost Proposal 136	=	Avg Hourly Rate \$63.36	5 Year Contract Duration Year 1 Avg Hourly Rate
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2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

	Avg Hourly Rate		Proposed Escalation			
Year 1	\$63.36	+	3.5%	=	\$65.58	Year 2 Avg Hourly Rate
Year 2	\$65.58	+	3.5%	=	\$67.87	Year 3 Avg Hourly Rate
Year 3	\$67.87	+	3.5%	=	\$70.25	Year 4 Avg Hourly Rate
Year 4	\$70.25	+	3.5%	=	\$72.71	Year 5 Avg Hourly Rate
Year 5	\$72.71	+	3.5%	=	\$75.25	Year 6 Avg Hourly Rate
Year 6	\$75.25	+	3.5%	=	\$77.89	Year 7 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	50.00%	*	136.0	=	68.0	Estimated Hours Year 1
Year 2	50.00%	*	136.0	=	68.0	Estimated Hours Year 2
Year 3	0.00%	*	136.0	=	0.0	Estimated Hours Year 3
Year 4	0.00%	*	136.0	=	0.0	Estimated Hours Year 4
Year 5	0.00%	*	136.0	=	0.0	Estimated Hours Year 5
Year 6	0.00%	*	136.0	=	0.0	Estimated Hours Year 6
Total	100%		Total	=	136.0	

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	\$63.36	*	68.0	=	\$4,308.47	Estimated Hours Year 1
Year 2	\$65.58	*	68.0	=	\$4,459.27	Estimated Hours Year 2
Year 3	\$67.87	*	0.0	=	\$0.00	Estimated Hours Year 3
Year 4	\$70.25	*	0.0	=	\$0.00	Estimated Hours Year 4
Year 5	\$72.71	*	0.0	=	\$0.00	Estimated Hours Year 5
Year 6	\$75.25	*	0.0	=	\$0.00	Estimated Hours Year 6
Total Direct Labor Cost with Escalation				=	\$8,767.74	
Direct Labor Subtotal before Escalation				=	\$8,616.94	
Estimated total of Direct Labor Salary Increase				=	\$150.80	Transfer to Page 1

NOTES:

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

Exhibit 10-H1 Cost Proposal Page 3 of 3

Certification of Direct Costs:

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

- 1 Generally Accepted Accounting Principles (GAAP)
- 2 Terms and conditions of the contract
- 3 Title 23 United States Code Section 112 - Letting of Contracts
- 4 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures

5 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related 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 Sigler Title *: CFO

Signature :  Date of Certification (mm/dd/yyyy): 9/5/2025

Email: bsigler@shn-engr.com 707 441-8855

Address: 812 West Wabash, Eureka, CA 95501

*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:

On-call construction phase support services.