**Washington State Department of Transportation**

| **Supplemental Agreement Number** 3 | Organization and Address<br>Northwest Hydraulic Consultants Inc.<br>12787 Gateway Drive South<br>Tukwila, WA 98168<br>Phone: (206) 241-6000 | |
|---|---|---|
| Original Agreement Number<br>AHHG2019 | | |
| Project Number | Execution Date<br>October 1, 2019 | Completion Date<br>September 30, 2021 |
| Project Title<br>Annual Hydrologic, Hydraulic, and Geomorphic | New Maximum Amount Payable<br>$532,000 | |
| Description of Work<br>May include but not limited to providing hydrologic, hydraulic, and geomorphic services to Lewis County Public Works. | | |

The Local Agency of Lewis County Public Works
desires to supplement the agreement entered in to with Northwest Hydraulic Consultants Inc.
and executed on October 1, 2019 and identified as Agreement No. AHHG2019
All provisions in the basic agreement remain in effect except as expressly modified by this supplement.
The changes to the agreement are described as follows:

I

Section 1, SCOPE OF WORK, is hereby changed to read:
No change in the scope.

II

Section IV, TIME FOR BEGINNING AND COMPLETION, is amended to change the number of calendar days for completion of the work to read: No change in completion date.

III

Section V, PAYMENT, shall be amended as follows:

New maximum payable to be raised $200,000 from $332,000 to $532,000 to accommodate new anticipated Task Orders and amendments of existing Task Orders.

as set forth in the attached Exhibit A, and by this reference made a part of this supplement.
If you concur with this supplement and agree to the changes as stated above, please sign in the Appropriate spaces below and return to this office for final action.

By: Erik R. Rowland
E R Rowland
Consultant Signature

By: Josh Metcalf
Approving Authority Signature

1/29/2021
Date

DOT Form 140-063
Revised 09/2005

## Exhibit "A"
## Summary of Payments

| | Basic Agreement | Supplement #1 | Total |
|---|---|---|---|
| Direct Salary Cost | $31.98 - $79.35 | $34.50 - $79.35 | |
| Overhead (Including Payroll Additives) | 189.76 | 159.81 | |
| Direct Non-Salary Costs | | | |
| Fixed Fee | TBD per TO | TBD per Task Order | |
| Total | | | |

Original agreement rates
to be used for work performed before execution of Supplement #2

# Exhibit D
# Prime Consultant Cost Computations

| CONSULTANT FEE DETERMINATION - SUMMARY SHEET | | | | |
|---|---|---|---|---|
| FEE SCHEDULE | | | | |
| | | | | |
| Consultant: Northwest Hydraulic Consultants, Inc. | | | | |
| | | | | |
| Position Classification | Max Direct Salary Rate | Overhead @ 189.76% | Fixed Fee | Max Rate Per Hour |
| Principal | $ 79.35 | $ 150.57 | TBD Per Individual Task Order | TBD Per Individual Task Order |
| Snr Sci/Eng 1 | $ 55.64 | $ 105.58 | | |
| Snr Sci/Eng 2 | $ 51.52 | $ 97.76 | | |
| Eng/Sci 1 | $ 45.02 | $ 85.43 | | |
| Eng/Sci 2 | $ 36.70 | $ 69.64 | | |
| Eng/Sci 3 | $ 35.43 | $ 67.23 | | |
| Snr GIS/CAD | $ 41.54 | $ 78.83 | | |
| GIS/CAD | $ 31.68 | $ 60.12 | | |
| Corp. Fin. Mgr | $ 49.04 | $ 93.06 | | |
| Sr Doc Prod Spec | $ 31.98 | $ 60.69 | | |

**Washington State Department of Transportation**

Transportation Building
310 Maple Park Avenue S.E.
P.O. Box 47300
Olympia, WA 98504-7300
360-705-7000
TTY: 1-800-833-6388
www.wsdot.wa.gov

January 7, 2019

Northwest Hydraulic Consultants, Inc.
12787 Gateway Drive South
Seattle, WA 98168

Subject: Acceptance FYE 2018 ICR – Audit Office Review

Dear Ms. Diane Numrich:

Transmitted herewith is the WSDOT Audit Office's memo of "Acceptance" of your firm's FYE 2018 Indirect Cost Rate (ICR) of 189.76%. This rate will be applicable for WSDOT Agreements and Local Agency Contracts in Washington only. This rate may be subject to additional review if considered necessary by WSDOT. Your ICR must be updated on an annual basis.

Costs billed to agreements/contracts will still be subject to audit of actual costs, based on the terms and conditions of the respective agreement/contract.

This was not a cognizant review. Any other entity contracting with your firm is responsible for determining the acceptability of the ICR.

If you have any questions, feel free to contact our office at (360) 705-7019 or via email consultantrates@wsdot.wa.gov.

Regards;

ERIK K. JONSON
Manager, Consultant Services Office

EKJ:rck

# Northwest Hydraulic Consultants Inc.
## Indirect Cost Rate Schedule
## For the Year Ended June 30, 2018

| Description | Financial Statement Amount | NHC Adj. | Ref. | Accepted Amount | % |
|---|---|---|---|---|---|
| **Direct Labor** | $2,551,493 | | | $2,551,493 | 100.00% |
| **Indirect Costs:** | | | | | |
| **Fringe Benefits:** | | | | | |
| Vacation, Sick, & Holiday | $535,791 | | | $535,791 | 21.00% |
| Payroll Taxes/WC | 403,032 | ($5,039) | A | 397,993 | 15.60% |
| Health Insurance | 468,818 | | | 468,818 | 18.37% |
| Pension Contribution (401-k) | 127,869 | | | 127,869 | 5.01% |
| **Total Fringe Benefits** | $1,535,509 | ($5,039) | | $1,530,471 | 59.98% |
| **General Overhead:** | | | | | |
| Indirect Labor | $1,266,748 | ($273,321) | B,C | $993,427 | 38.94% |
| Indirect Labor- Bid/Proposal | 428,366 | | | 428,366 | 16.79% |
| Indirect Labor-Marketing | 153,434 | (65,866) | D | 87,567 | 3.43% |
| Bonuses | 965,473 | (221,923) | E | 743,550 | 29.14% |
| Overtime | 5,476 | | | 5,476 | 0.21% |
| Premises | 597,665 | | | 597,665 | 23.42% |
| Utilities | 10,784 | | | 10,784 | 0.42% |
| Computers | 198,843 | | | 198,843 | 7.79% |
| Depreciation | 136,645 | | | 136,645 | 5.36% |
| Telephone Expense | 52,444 | (116) | F | 52,328 | 2.05% |
| Courier service | 3,750 | (71) | F | 3,679 | 0.14% |
| Office Supplies | 38,327 | | | 38,327 | 1.50% |
| Office Equipment | 14,425 | | | 14,425 | 0.57% |
| Library & Subscriptions | 2,360 | | | 2,360 | 0.09% |
| Lab Premises Cost | 89,664 | (70,000) | G | 19,664 | 0.77% |
| Lab Utilities | 8,458 | | | 8,458 | 0.33% |
| Lab Equipment | 1,688 | | | 1,688 | 0.07% |
| Lab Supplies | 2,413 | | | 2,413 | 0.09% |
| Safety | 5,199 | | | 5,199 | 0.20% |
| Field Equipment | 5,555 | | | 5,555 | 0.22% |
| Field Supplies | 4,960 | | | 4,960 | 0.19% |
| Travel/Accom/Admin | 28,716 | (2,517) | H | 26,199 | 1.03% |
| Travel/Accom/Project | 13,439 | (13,439) | I | 0 | 0.00% |
| Staff Functions/Meetings | 20,100 | (18,674) | J | 1,427 | 0.06% |
| Auto Expenses | 28,059 | (329) | F | 27,730 | 1.09% |
| Recruiting, Hiring | 5,164 | | | 5,164 | 0.20% |
| Travel- Business Development | 28,313 | (5,025) | F | 23,288 | 0.91% |
| Promotional Materials | 1,770 | (1,770) | K | 0 | 0.00% |
| Advertising | 7,047 | (7,047) | L | 0 | 0.00% |
| Travel- Professional Development | 23,801 | (395) | H | 23,406 | 0.92% |
| Memberships/Registrations | 30,443 | (4,036) | M | 26,406 | 1.03% |
| Relocation Expense | 12,984 | | | 12,984 | 0.51% |
| B&O Taxes, Licenses etc | 93,098 | | | 93,098 | 3.65% |
| Prof Liability Insurance | 70,899 | | | 70,899 | 2.78% |
| General Insurance | 56,884 | | | 56,884 | 2.23% |
| Accounting Fees | 11,350 | | | 11,350 | 0.44% |
| Legal Fees | 1,595 | | | 1,595 | 0.06% |

| | | | | | |
|---|---|---|---|---|---|
| Management Fees | (368,544) | (5,359) | N | (373,903) | -14.65% |
| Bad Debt Write-Offs | 430 | (430) | P | 0 | 0.00% |
| Charitable Donations | 6,325 | (6,325) | Q | 0 | 0.00% |
| Bank Interest & Charges | 1,775 | | O | 1,775 | 0.07% |
| Casual Labor | 2,827 | | | 2,827 | 0.11% |
| Federal Income Tax | 5,203 | (5,203) | R | 0 | 0.00% |
| Recovery Accounts | | (75,531) | S | (75,531) | -2.96% |
| **Total General Overhead** | $4,074,355 | ($777,378) | | $3,296,977 | 129.22% |
| **Total Indirect Costs & Overhead** | $5,609,864 | ($782,417) | | $4,827,448 | 189.20% |
| **Indirect Cost Rate (Less FCCM)** | 219.87% | | | **189.20%** | |
| Facilities Cost of Capital (FCCM) | | $14,162 | | $14,162 | 0.56% |
| | $5,609,864 | ($768,254) | | **$4,841,610** | |
| **Indirect Cost Rate (Includes FCCM)** | | | | **189.76%** | |

***Northwest Hydraulic Consultants Inc. - Accepted by LC 1/7/19***
***"Indirect Cost Rate still subject to WSDOT Audit"***

**References**

**NHC Adjustments:**

A Associated with Advertising/Direct Selling or related to Unallowable Bonus per 31.201-6
B Uncompensated overtime ($263,820) - per 48 CFR 31.201-4
C Unallowable discretionary severance ($2,000) per 48 CFR 31.205-6(g)
D Unallowable Advertising/Direct Sales ($65,866) per 48 CFR 31.205-1(f)
E Unallowable discretionary bonuses ($221,923) per 48 CFR 31.205-6(f)
F Unallowable costs ($5,541) unallowable per 48 CFR 31.205-14, Public Relations/Advertising Costs per 48 CFR 31.205-1(f)
G Application of Laboratory Space fees to offset cost ($70,000) per 48 CFR 31.202(a), 31.201-4
H Unallowable travel costs ($2,912) per 48 CFR 31.205-14
I Project Cost ($13,439) unallowable per 48 CFR 31.202(a)
J Staff Parties/luncheons/Costco Memberships($18,674) unallowable per 48 CFR 31.205-14
K Promotional Materials ($1,770) unallowable per 48 CFR 31.205.1
L Advertising costs ($7,047) unallowable per 48 CFR 31.205-1
M Unallowable lobbying costs included in dues ($4,036) unallowable per 48 CFR 31.205-22
N ($368,544) is net of Management charges to parent company per 48 CFR 31.201-4
O Bank Interest Charge from affiliate (5,359) unallowable per 48 CFR 31.205-20
P Bad Debt Write-offs ($430) unallowable per 48 CFR 31.205-3
Q Charitable Donations ($6,325) unallowable per 48 CFR 31.205-8
R Federal Income Tax Adjust to zero $5,203 unallowable per 48 CFR 31.205-41
S Project Cost - ($75,531) unallowable per 48 CFR 31.202(a)

Supplement 2 agreement rates
to be used for work performed after execution of Supplement #2

| CONSULTANT FEE DETERMINATIION - SUMMARY SHEET | | | | |
|---|---|---|---|---|
| FEE SCHEDULE | | | | |
| | | | | |
| Consultant: Northwest Hydraulic Consultants, Inc. | | | | |
| | | | | |
| **Position Classification** | **Max Direct Salary Rate** | **Overhead @ 159.81%** | **Fixed Fee** | **Max Rate Per Hour** |
| Principal | $ 79.35 | $ 126.81 | TBD Per Individual Task Order | TBD Per Individual Task Order |
| Snr Sci/Eng 1 | $ 60.00 | $ 95.89 | | |
| Snr Sci/Eng 2 | $ 53.00 | $ 84.70 | | |
| Eng/Sci 1 | $ 45.00 | $ 71.91 | | |
| Eng/Sci 2 | $ 38.50 | $ 61.53 | | |
| Eng/Sci 3 | $ 35.00 | $ 55.93 | | |
| Snr GIS/CAD | $ 42.25 | $ 67.52 | | |
| GIS/CAD | $ 35.00 | $ 55.93 | | |
| Corp. Fin. Mgr | $ 50.00 | $ 79.91 | | |
| Sr Doc Prod Spec | $ 34.50 | $ 55.13 | | |

**Washington State Department of Transportation**

**Development Division**
Contract Services Office
PO Box 47408
Olympia, WA 98504-7408
7345 Linderson Way SW
Tumwater, WA 98501-6504

TTY: 1-800-833-6388
www.wsdot.wa.gov

December 15, 2020

Northwest Hydraulic Consultants
12787 Gateway Drive South
Seattle, WA 98168

Subject: Acceptance FYE 2020 ICR – Risk Assessment Review

Dear Diane Numrich:

Based on Washington State Department of Transportation's (WSDOT) Risk Assessment review of your Indirect Cost Rate (ICR), we have accepted your proposed FYE 2020 ICR of 159.81% of direct labor (rate includes 0.42% Facilities Capital Cost of Money). This rate will be applicable for WSDOT Agreements and Local Agency Contracts in Washington only. This rate may be subject to additional review if considered necessary by WSDOT. Your ICR must be updated on an annual basis.

Costs billed to agreements/contracts will still be subject to audit of actual costs, based on the terms and conditions of the respective agreement/contract.

This was not a cognizant review. Any other entity contracting with your firm is responsible for determining the acceptability of the ICR.

If you have any questions, feel free to contact our office at **(360) 705-7019** or via email **consultantrates@wsdot.wa.gov**.

Regards;

Jonson, Erik
Dec 15 2020 11:20 AM

cosign

ERIK K. JONSON
Contract Services Manager

EKJ:ah

# Northwest Hydraulic Consultants Inc.
## Overhead Schedule
## For the Year Ended June 30, 2020

| Description | Financial Statement Amount | NHC Adj. | WSDOT Adj. | Ref. | Accepted Amount | % |
|---|---|---|---|---|---|---|
| **Direct Labor** | $3,457,820 | $3,816 | | A | $3,461,635 | 100.00% |
| **Fringe Benefits:** | | | | | | |
| Vacation Pay | $351,547 | | | | $351,547 | 10.16% |
| Sick Pay | $105,437 | | | | $105,437 | 3.05% |
| Holiday Pay | $161,500 | | | | $161,500 | 4.67% |
| Incentive Bonus | $1,274,022 | ($303,246) | | E | $970,776 | 28.04% |
| Payroll Taxes | $454,230 | ($19,074) | | B | $435,156 | 12.57% |
| Health Insurance | $576,246 | | | | $576,246 | 16.65% |
| Workers' Comp Ins | $25,523 | | | | $25,523 | 0.74% |
| Profit Sharing (401-k) | $174,421 | | | | $174,421 | 5.04% |
| Severance | $0 | | | | $0 | 0.00% |
| **Total Fringe Benefits** | **$3,122,927** | **($322,320)** | $0 | | $2,800,607 | 80.90% |
| **General Overhead:** | | | | | | |
| Indirect Labor | $1,356,009 | ($3,816) | | A | $1,352,193 | 39.06% |
| Labor Variance (Uncomp OT) | ($362,254) | | | C | ($362,254) | -10.46% |
| Bid & Proposal Labor | $322,099 | | | | $322,099 | 9.30% |
| Indirect Labor Marketing | $59,409 | ($58,341) | | D | $1,068 | 0.03% |
| Direct Selling Labor | $86,771 | | | | $86,771 | 2.51% |
| Overtime | $26,930 | | | | $26,930 | 0.78% |
| Rent | $551,356 | | | | $551,356 | 15.93% |
| Maintenance & Repairs | $42,492 | | | | $42,492 | 1.23% |
| Utilities | $11,437 | | | | $11,437 | 0.33% |
| Computers | $258,811 | | | | $258,811 | 7.48% |
| Depreciation | $139,727 | | | | $139,727 | 4.04% |
| Telephone Expense | $29,750 | | | | $29,750 | 0.86% |
| Courier service | $3,318 | ($204) | | F | $3,114 | 0.09% |
| Office Supplies | $36,124 | | | | $36,124 | 1.04% |
| Office Equipment | $15,306 | | | | $15,306 | 0.44% |
| Library & Subscriptions | $2,052 | | | | $2,052 | 0.06% |
| Lab Rent | $96,706 | ($44,640) | | G | $52,066 | 1.50% |
| Lab Maintenance & Repairs | $0 | | | | $0 | 0.00% |
| Lab Utilities | $5,765 | | | | $5,765 | 0.17% |
| Lab Equipment | $0 | | | | $0 | 0.00% |
| Lab Supplies | $154 | | | | $154 | 0.00% |
| Safety | $11,536 | | | | $11,536 | 0.33% |
| Field Equipment | $8,423 | | | | $8,423 | 0.24% |
| Field Supplies | $7,645 | | | | $7,645 | 0.22% |
| Travel/Accom/Admin | $25,546 | ($4,235) | | H | $21,311 | 0.62% |
| Travel/Accom/Project | $3,921 | ($3,921) | | I | $0 | 0.00% |
| Travel- Prof Dev | $24,454 | ($711) | | H | $23,743 | 0.69% |
| Travel - Bus Dev | $26,343 | ($5,750) | | H | $20,593 | 0.59% |
| Staff Functions/Meetings | $23,837 | ($22,274) | | J | $1,562 | 0.05% |
| Automobile | $25,181 | | | | $25,181 | 0.73% |
| Recruiting, Hiring | $2,784 | | | | $2,784 | 0.08% |
| Expenses - Client Meetings | | | | | $0 | 0.00% |
| Promotional Materials | $54,116 | ($54,116) | | K | ($0) | 0.00% |

| | | | | | | |
|---|---|---|---|---|---|---|
| Advertising | $6,515 | ($6,515) | | L | $0 | 0.00% |
| Memberships/Registrations | $32,629 | ($4,370) | | M | $28,259 | 0.82% |
| Relocation Expense | $17,381 | ($2,884) | | N | $14,497 | 0.42% |
| State & Local Taxes, Licenses etc | $105,873 | | | | $105,873 | 3.06% |
| Income Tax Provision | $433,937 | ($344,036) | | U | $89,901 | 2.60% |
| Prof Liability Insurance | $66,848 | | | | $66,848 | 1.93% |
| General Insurance | $52,926 | | | | $52,926 | 1.53% |
| Accounting Fees | $11,250 | | | | $11,250 | 0.32% |
| Legal Fees | $14,224 | | | | $14,224 | 0.41% |
| Technical Consultants | | | | | $0 | 0.00% |
| Management Fees | ($272,791) | $0 | | O & P | ($272,791) | -7.88% |
| Bad Debt Write-Offs | ($58,601) | $58,601 | | Q | ($0) | 0.00% |
| Charitable Donations | $7,985 | ($7,985) | | R | $0 | 0.00% |
| Bank Interest & Charges | ($211) | $0 | | S | ($211) | -0.01% |
| Casual Labor | $0 | | | | $0 | 0.00% |
| Recovery Accounts | | ($91,660) | | T | ($91,660) | -2.65% |
| **Total General Overhead** | $3,313,713 | ($596,856) | $0 | | $2,716,856 | 78.48% |
| **Total Overhead Costs** | $6,436,640 | ($919,176) | $0 | | $5,517,463 | 159.39% |
| **Overhead Rate (Less FCC)** | 186.15% | 159.39% | | | **159.39%** | |
| Facilities Cost of Capital | | $14,494 | | | $14,494 | 0.42% |
| | | | | | **$5,531,957** | |
| **Overhead Rate (Includes FCC)** | | | | | **159.81%** | |

***Northwest Hydraulic Consultants Inc. - In Process***
***"Overhead Rate still subject to WSDOT Audit"***

**References**
**NHC Adjustments:**

**A** Adjust Direct wages inorrectly included in indirect wages per FAR 31.202
**B** Associated with Advertising/Direct Selling (FAR 31.205-1) or related to Unallowable Bonus (FAR 31.205-6)
**C** Uncompensated overtime - per FAR 31.201-4
**D** Unallowable Advertising/Direct Sales per FAR 31.205-1(f)
**E** Unallowable discretionary bonuses per FAR 31.205-6(f)
**F** Unallowable Project Related Costs per FAR 31.202
**G** Application of Laboratory Space fees to offset cost per FAR 31.202(a), 31.201-4
**H** Unallowable travel costs per FAR 31.205-14 and FAR 31.205-46
**I** Project Cost unallowable per FAR 31.202(a)
**J** Staff Parties/luncheons/Costco Memberships unallowable per FAR 31.205-14
**K** Promotional Materials unallowable per FAR 31.205.1
**L** Advertising costs unallowable per FAR 31.205-1
**M** Unallowable lobbying costs included in dues unallowable per FAR 31.205-22
**N** Uallowable relocation expenses FAR 31.205-35
**O** ($272,791) is net of Management charges to parent company per FAR 31.201-4
**P** ($0) No Bank Interest Charges from affiliate unallowable per FAR 31.205-20
**Q** Bad Debt Write-offs unallowable per FAR 31.205-3
**R** Charitable Donations unallowable per FAR 31.205-8
**S** Interest Expense per FAR 31.205-20
**T** Project Cost unallowable per FAR 31.202(a)
**U** Unallowable Federal Income Tax and Penalties FAR 31.205-41

**WSDOT Adjustments:**