

This is **EXHIBIT K**, consisting of 2 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated July 5, 2012.

**AMENDMENT TO OWNER-ENGINEER AGREEMENT
Amendment No. 1**

1. *Background Data:*

- a. Effective Date of Owner-Engineer Agreement: July 5, 2012
- b. Owner: City of Bisbee
- c. Engineer: Pacific Advanced Civil Engineering, Inc. (PACE)
- d. Project: San Jose WWTP USDA-RD Preliminary Engineering Report (PER) and Environmental Report (ER) Professional Design Services

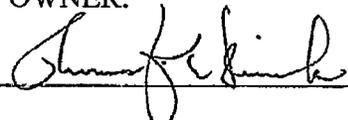
2. *Description of Modifications:*

- a. Other portions of the Agreement (including previous amendments, if any) are modified as follows:
 - 1) Appendix 2 of Exhibit C has been revised and is included in this amendment.
 - 2) PACE has executed the required Form AD1048 and it is included in this amendment.

The foregoing Agreement Summary is for reference only and does not alter the terms of the Agreement, including those set forth in Exhibit C.

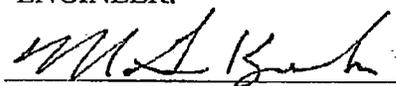
Owner and Engineer hereby agree to modify the above-referenced Agreement as set forth in this Amendment. All provisions of the Agreement not modified by this or previous Amendments remain in effect. The Effective Date of this Amendment is December 10, 2012.

OWNER:



By: Thomas J. Klimiek
City of Bisbee P.W. Director

ENGINEER:



By: Michael G. Krebs, PE

Title: Public Works Director

Title: VP of Environmental Water

Date Signed: 12-17-12

Date Signed: December 17, 2012

This is a sample of an **Appendix 2 to EXHIBIT C**, consisting of 2 pages, referred to in and part of the **Agreement Between Owner and Engineer for Professional Services dated July 5, 2012**. The Engineer will develop the Appendix 1 and attach it to the Agreement.

Standard Hourly Rates Schedule

A. 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.
2. The Standard Hourly Rates will be adjusted annually (as of **January 1, 2013**) to reflect equitable changes in the compensation payable to Engineer. Modifications to fees shall be made by Amendment.
3. The Standard Hourly Rates apply only as specified in Article C2.

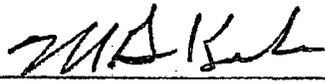
A. Schedule

Hourly rates for services performed on or after the date of Agreement are:

HOURLY LABOR RATES

Title	Base Rate	OH Rate (130%)	Profit (10%)	Billed Rate
Principal	\$ 89	\$ 116	\$ 20	\$225.00
Sr. Project Manager / Sr. Consulting Engineer	\$ 74	\$ 96	\$ 17	\$187.00
Sr. Project Engineer / Sr. Design Engineer	\$ 70	\$ 91	\$ 16	\$177.00
Project Engineer / Design Engineer II	\$ 54	\$ 70	\$ 12	\$136.00
Design Engineer	\$ 44	\$ 58	\$ 10	\$112.00
Sr. CAD Designer / Sr. GIS Analyst	\$ 46	\$ 60	\$ 11	\$117.00
CAD Designer / GIS Analyst	\$ 36	\$ 47	\$ 8	\$91.00
Project Coordinator / Administrative Support	\$ 28	\$ 36	\$ 6	\$70.00

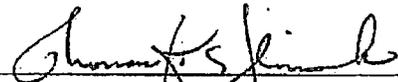
The Engineer and Owner hereby concur in the Funding Agency required revisions to E-500 detailed above.

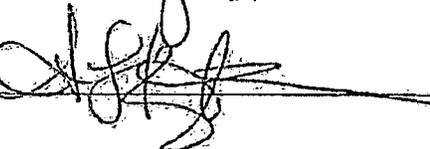
Engineer:  Date 12-17-12

Attest: 

Type Name: Michael G. Krebs

Title: VP of Environmental Water

Owner:  Date 12-17-12

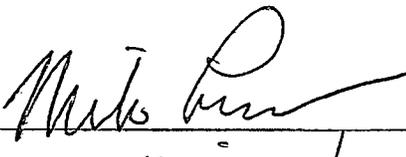
Attest: 

Type Name: Thomas J. Klimmek

Title: Public Works Director

Agency Concurrence:

As lender or insurer of funds to defray the costs of this Contract, and without liability for any payments thereunder, the Agency hereby concurs in the form, content, and execution of this Agreement.

By:  Date 3/24/14

Type Name: Mike Luecker
USDA Civil Engineer

U.S. DEPARTMENT OF AGRICULTURE

**Certification Regarding Debarment, Suspension, Ineligibility
and Voluntary Exclusion - Lower Tier Covered Transactions**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 7 CFR part 3017, Section 3017.510, Participants' responsibilities. The regulations were published as Part IV of the January 30, 1989, Federal Register (pages 4722-4733). Copies of the regulations may be obtained by contacting the Department of Agriculture agency with which this transaction originated.

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE)

- (1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Pacific Advanced Civil Engineering
Organization Name

San Jose WWTP
PR/Award Number or Project Name

Michael G. Krebs, PE VP of Environmental Water
Name(s) and Title(s) of Authorized Representative(s)

M G Krebs
Signature(s)

12-17-12
Date