

December 17, 2025

Caspian 2, LLC
c/o Sam Hemingway

STOCKMAN FLATS PUBLIC INFRASTRUCTURE DISTRICT COST CERTIFICATION SERVICES PROPOSAL

Independent District Engineering Services, LLC (IDES) is pleased to respond to your request to provide Project Cost Estimating and Control Services for the proposed Stockman Flats Public Infrastructure District (District) in Spanish Fork City, Utah.

IDES is a premier local government entity consulting firm. We offer cost certification services, infrastructure acquisition, program management, and construction management services. Founded in 2004, IDES has served as a consultant to over two hundred local government entities during construction phases as well as an advisor after construction. IDES was the first public infrastructure districts focused engineering firm in Utah and has been operating in Utah since 2022. As an engineering firm, IDES serves each client with an ethical, pragmatic, and meticulous approach to help serve the District's long-term vision. Our office has ten full-time employees, which allows us the flexibility to assign additional staff to this project, if needed, to ensure tight deadlines are met.

SCOPE OF SERVICES

Cost Certification Report - IDES will prepare a comprehensive report certifying that, in our professional opinion, the costs included are eligible for District financing, reasonable, and consistent with comparable developments within Utah. The following actions will be undertaken as part of this process:

- **Project Meetings:** IDES will facilitate an initial kickoff meeting with the Client, either remotely or in person, to outline our methodology and approach. Two additional follow-up meetings will be scheduled to ensure the completion of the initial reports.
- **Reference Document Review:** IDES will review relevant documents, including the Development Agreement, Purchase Sale Agreement, PID Governing Documents, Construction Drawings, and Plat, and other related documents such as the UIPA Act and attached excerpt Exhibit C from VERK series 2025 limited offering memorandum, to assess eligibility of costs for District financing. Additional documentation impacting cost-sharing or eligibility may also be evaluated upon request.
- **Invoice & Pay Application Review:** A detailed review of invoices, pay applications, and supporting materials will be conducted to substantiate costs eligible for District financing. IDES may also perform a market value analysis on improvements that were not directly invoiced to provide an estimate of costs eligible for District financing.
- **Quantity and Unit Cost Analysis:** Construction drawings will be analyzed to verify that invoiced quantities align with documented specifications. Unit costs will be compared against similar developments across Utah to confirm overall reasonableness. Alternatively, total project costs may be benchmarked against similar sized developments in the region.
- **Site Assessment:** IDES will conduct an on-site inspection to evaluate construction status and verify the condition of certified improvements. While compliance with specifications will be based on documentation provided by relevant municipal or state agencies, IDES reserves the right to conduct independent evaluations before certifying associated costs.
- **Report Delivery:** A formal report will be prepared summarizing our methodology, the materials reviewed, assumptions made, and findings regarding total eligible costs for District financing. The report will include an exhibit showing the areas on site where improvement costs have been certified.

Meetings - IDES can participate in project meetings, as necessary. Meetings may include District Board meetings, project status meetings, local jurisdiction coordination meetings, construction progress meetings, miscellaneous field meetings and other meetings with project stakeholders as required or requested.

Additional Services - IDES can provide additional services that are not included in this proposal at the direction of any individual board member or can be provided under a separate proposal if desired. A list of additional services is included as an attachment to this proposal.

FEE
IDES proposes to perform the Services on a Time and Materials Basis in accordance with the Charge Rate Schedule below. We will provide services to the District as requested and bill only for the actual time required to complete the services. Based on our experience, a Not-to-Exceed amount of \$5,000 should allocate the funds required for the tasks, and any excess funds may be used for additional services. Any amount exceeding this Not-to-Exceed amount and not preapproved by the District is not owed. The District agrees that IDES is authorized to perform any task under this scope of services at the direction of any individual board member. The fees charged for services will be detailed in monthly invoices submitted to the District.

CHARGE RATE SCHEDULE
Hourly rates may be revised periodically to reflect the current cost for delivery of services.

Billing Rates:		
Senior Contract Administrator	\$ 150.00 per hour	Will perform less than 5% of work.
Project Engineer	\$ 155.00 per hour	Will perform approximately 65% of work.
Project Manager	\$ 170.00 per hour	Will perform approximately 25% of work.
Director	\$ 225.00 per hour	Will perform less than 5% of work
Reimbursable Expenses		
Mileage	IRS Rate + 10%	
Plan Copies, outside copies, etc.	at cost + 10%.	
Subcontractor	at cost + 10%	

I want to personally assure you that I am fully committed to the success of this project. I will take all necessary steps and dedicate my efforts to ensure we meet our goals and deliver outstanding results.

If there are any challenges or additional support needed along the way, please don't hesitate to reach out; I'm here to make sure everything runs smoothly.

Respectfully Submitted,
Independent District Engineering Services, LLC

Brandon Collins, PE Utah License #14117993-2202
Director
(303) 589-3728
www.idesllc.com

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Attachment

IDES ADDITIONAL SERVICES

Infrastructure Acquisition Report - IDES will collect all the documents required for infrastructure acquisition to make sure the District has all the necessary documents for acceptance and acquisition of the improvements. Once IDES have verified all the documents have been provided and the improvements are complete and in good condition, IDES will recommend acquisition. IDES will prepare a formal report detailing recommendations for the acquisition of infrastructure by the District for ownership and long-term maintenance. This report will be signed by a licensed engineer in the State of Utah. The following actions will be undertaken as part of this process:

- **Project Meetings:** IDES will conduct an initial kickoff meeting with the Client, followed by additional discussions as needed to finalize the report. These meetings may be integrated with discussions related to cost certification.
- **Documentation Review:** The developer's application for infrastructure acquisition, along with all supporting documentation, will be evaluated. Any missing, incomplete, or non-applicable items will be identified, and recommendations will be provided for additional information required by the District.
- **Site Evaluation:** IDES will conduct an on-site inspection to visually assess surface improvements proposed for acquisition. Additionally, available video footage of underground utilities may be reviewed to identify potential deficiencies. Any corrective actions required prior to acquisition will be communicated to the District and Developer, with an option for a subsequent site visit to verify completion. Assessments of infrastructure completeness may be based on available documentation and adherence to industry standards.
- **Report Delivery:** A formal report will be prepared summarizing our methodology, the materials reviewed, assumptions made, and recommendations regarding District's acceptance of improvements. The report will include an exhibit showing the areas on site where improvements are being accepted.

Constructability Reviews – IDES can provide review of plans for constructability and completeness to assist the District and/or the design engineer in determining more efficient or cost-effective alternatives. The work would involve plan reviews, site visits and investigations, meetings with the District, design engineer, local jurisdiction, and others, review of preliminary geotechnical report, phasing plans, and any other pertinent information to better qualify the design.

Project Scheduling Services – IDES may create an overall project schedule based on contractor's schedule and provide updates which can include entitlement, planning, design, construction that would reflect additions, deletions and deviations in the timing of all the associated activities. Specialized schedules can be provided when requested. Schedules would be formatted in Microsoft Project unless otherwise directed.

Construction Observation – IDES can provide construction observation for general compliance with the contract documents for all phases of construction activities. Information gained by construction observation can be compiled in periodic reports and used for construction administration activities. Reports with photos can be submitted and maintained electronically.

Project Cost Estimating and Control – Project cost estimating services may include updating of initial estimate, plan quantity and pay item take-offs and specialty cost estimates needed in support of various agreements, reporting requirements or other as-needed estimates. Special reports include cost share reimbursements, bonding agency reports and other specialized reports that can be produced as requested.

Construction Administration and Coordination – IDES can provide construction administration activities including partial pay request processing, submittal review coordination, change orders review, force account, permit management, project close-out, claim reviews, warranty issues and other tasks as necessary to provide project documentation. IDES can provide construction coordination activities including project coordination with stakeholders, monitor project scheduling, jurisdictional coordination, and other activities necessary to provide coordination. Assumptions include the same schedule as presented for the construction observation section.

Project Administration and Coordination – IDES can maintain District project files, issues tracking lists, meeting minutes, agreements and contract files, plan files, schedules, and other program administration activities as needed to support the project. IDES can provide project coordination with consultants, local agencies, traffic control, utilities, power companies and other public utilities, residents and other entities as required.

District Compliance – IDES can provide necessary on-going Metro District support services including but not limited to, coordination with the District, District consultant, contractors, local jurisdictions, adjacent developers, utility companies and other project stakeholders, participate in the development and administration of various agreements with project stakeholders required for the project, provide needed information and coordination with the board's legal counsel and accountants for District reporting requirements. This can also include invoice and pay application review monthly, expenditure verification for the District board and reporting of facilities acquisitions to the District board monthly.

Consultant Administration – IDES can provide support services for the progress and completion of Consultants services, including contracting, review and processing of task orders, coordination concerning construction needs, and tracking of contracts and invoices.

Draw Reports – IDES will review the Improvement Agreement between the Constructing and Non-Constructing parties and confirm all parties are following their obligations. Prior to the Non-Constructing parties submitting their funds to the escrow, IDES will review the invoices, lien waivers, and all other conditions required by the Improvement Agreement have been met. Prior to confirming all requirements have been met, IDES will visit the project site to confirm that the expenditure requests are consistent with the status of construction in the field. IDES will then review all expenditures in a Cost Certification Report after the escrow payment has been made.

Dry Utility Coordination – IDES can provide the necessary coordination with dry utility companies including new service requests and meter service installations.