



Corporate Headquarters
295 South Water Street, Suite 300
Kent, OH 44240
800-828-8312

Local Office
801 Rep. John Lewis Way S, Suite 206
Nashville, TN 37203
615-460-9797

October 20, 2023

Mr. Tim Begley, P.E.
City Engineer
City of Crossville, Tennessee
392 North Main St.
Crossville, TN 38555-4232

**RE: *Proposal to Provide Environmental Consulting Services
USACE & TDEC Permitting Assistance and Mitigation Negotiations
City of Crossville, Tennessee Water Supply Meadow Park Lake Project***

Dear Mr. Begley,

Thank you for contacting Davey Resource Group, Inc. “DRG” to present you with this proposal to provide environmental consulting services relative to the referenced property. We understand the subject property is depicted in the attached exhibit provided by DRG. This proposal is inclusive of all labor, material, and equipment required to support negotiations with the Tennessee Department of Environment and Conservation (TDEC) and address mitigation options for the proposed Meadow Park Lake expansion project.

The proposed project will elevate the existing dam height resulting in inundation of the lower reaches of watercourses that drain to the lake and wetlands that have formed along the lake margins. TDEC has stated a position that requires compensatory mitigation for the loss of jurisdictional streams and wetlands that would be flooded by the project’s increased dam height. Per TDEC’s rationale, the resulting cost of stream and wetland mitigation credits required to support the project is estimated be \$54 million (as much as twice as the amount that would be required by the mitigation rationale stated by U.S. Army Corps of Engineers [USACE]). The purpose of our scope of work, described below, is to provide a mitigation rationale, supported by a “scientifically defensible” basis, that is an alternative to TDEC’s stated approach.¹

Scope of Work

Task 1: Completed Project Coordination and Consultation Meetings

DRG attended and prepared for a pre-application meeting with representatives of the City of Crossville, J. R. Wauford & Company (Wauford), TDEC, Ecosystem Planning and Restoration (EPR), and USACE, to provide input on permitting strategies and mitigation options. This task also included additional subsequent internal meetings, conference calls, and meeting with J. R. Wauford & Company, TDEC personnel, and EPR and preparation of talking points for the City of Crossville Council meeting. This task covers work that has already been completed on this project.

¹ TDEC Rule 0400-40-07-.04(7)(b).

Task 2: Stream Quantification Tool Field Work and Data Analysis

The lower reaches of the approximately 10 streams proposed for impact will be assessed using the Tennessee Stream Quantification Tool (TN SQT). This scope of work includes three site visits from two teams of two scientists to collect SQT data in the normal pool inundation zone within the elevation band from normal pool to the existing top-of-dam height. The TNSQT assessment will include the required Geographic Information Systems (GIS) analyses, field visits to collect data based upon the TNSQT rapid assessment protocol, photographs, and calculations to determine Existing Condition Scores (ECS).

Task 3: Development of Scientifically Defensible Mitigation Reduction Strategies

DRG will provide an estimation of functional change resulting from the proposed inundation between the upper reach ECS's previously calculated by EPR and the ECS's of the lower reaches within the normal pool inundation zone.

DRG will conduct statistical analyses on changes in the ECS's and will complete an SQT Watershed Assessment Form and narrative summary for the project site and complete TN SQT workbooks for each impacted reach.

DRG will compile all data, analyses, and determinations and develop a document that justifies a lower SQT impact tier for the Water Supply Meadow Park Lake Project, that outlines a "scientifically defensible" reasoning for a lower impact tier or reduction in mitigation, that analyzes ARAP rules and regulations, and that outlines potential Supplemental Environmental Projects (SEP) that could be used as part of a compensatory mitigation project. This document will be provided to the City of Crossville and Wauford for review, and the document will then be submitted to TDEC following meetings and discussions with the City of Crossville and Wauford.

Task 5: Mitigation Review Coordination, Assistance, and Agency Conferral

DRG will coordinate and assist with agency review, which includes responses to additional information requested for assessment details, responses to comments, meetings, and mitigation plan processing. We will meet and confer with agency personnel as necessary as the permitting process and mitigation plan reviews proceed. This task will include frequent updates to Wauford and the City of Crossville, and additional assistance required to expedite agency review.

This proposal can be implemented by either issuing a purchase order, or by signing the Authorization to Proceed below and returning it to our office. Please feel free to only choose the line items for the work you would like us to perform at this time.

If you have any questions or wish to arrange for a meeting to discuss this scope of work, please call me at 615.400.0802. Thank you for allowing DRG the opportunity to work with you.



Samuel K. Parish, PG, CPESC
Principal Consultant
Davey Resource Group, Inc.
www.daveyresourcegroup.com

Authorization to Proceed

The following pricing options have been developed for consultations and reports as requested. Any additional consultation or effort would be priced at our hourly rate(s) described in the attached fee schedule. We anticipate completing this scope of work within 12 weeks of receiving the signed agreement.

Tennessee Water Supply Meadow Lake Project

TASK	TERMS (Time/Materials, NTE, Lump Sum)	FEE
Task 1: Project Coordination and Consultation	Lump Sum	\$6,500.00
Task 2: Stream Quantification Tool	Time/Materials NTE	\$23,000.00
Task 3: Develop Scientifically Defensible Mitigation Reduction Strategies	Time/Materials NTE	\$12,350.00
Task 4: Mitigation Review Coordination, Assistance, and Agency Conferral	Time/Materials NTE	\$8,000.00
Project Total		\$49,850.00

By signing this form, I do hereby acknowledge acceptance of the scope of work and associated fee, as well as the terms and conditions and limited warranty contained herein. Furthermore, my signature authorizes the work to be performed effective the date of my signature and denotes that I am an authorized representative of the Client with authority to authorize and bind my company.

Client Name: _____

Authorizing Signature: _____

Printed Name / Title: _____

Date: _____

Invoicing Entity Name / Email: _____

Davey Resource Group, Inc.

Name/Title: Sam Parish, Principal Consultant

Date: 10/20/23

TERMS AND CONDITIONS

- All pricing is valid for 30 days from the date of this proposal, after which time we reserve the right to amend fees as needed.
- Time and materials (T&M) estimates will be billed using the labor rates in DRG's current commercial price list. Fixed Fee Contract Prices will be billed in monthly increments for the percentage of work completed in the billing period. Firm-Fixed Unit Prices will be billed in monthly increments for the number of completed units in the billing period.
- Payment terms are net 30 days.
- If prevailing wage requirements are discovered after the date of this proposal, we reserve the right to negotiate our fees.
- The client is responsible for any permit fees, taxes, and other related expenses, unless noted as being included in our proposal.
- The client shall provide 48 hours' notice of any meetings where the consultant's attendance is required.
- Unless otherwise stated, one round of revisions to deliverables is included in our base fee. Additional edits or revisions will be billed on a time and material (T&M) basis.
- All reports are provided only to the client unless otherwise directed.

LIMITED WARRANTY

Davey Resource Group, Inc. ("DRG") provides this limited warranty ("Limited Warranty") in connection with the provision of services by DRG (collectively the "Services") under the agreement between the parties, including any bids, orders, contracts, or understandings between the parties (collectively the "Agreement").

Notwithstanding anything to the contrary in the Agreement, this Limited Warranty will apply to all Services rendered by DRG and supersedes all other warranties in the Agreement and all other terms and conditions in the Agreement that conflict with the provisions of this Limited Warranty. Any terms or conditions contained in any other agreement, instrument, or document between the parties, or any document or communication from you, that in any way modifies the provisions in this Limited Warranty, will not modify this Limited Warranty nor be binding on the parties unless such terms and conditions are approved in a writing signed by both parties that specifically references this Limited Warranty.

Subject to the terms and conditions set forth in this Limited Warranty, for a period of twelve (12) months from the date Services are performed (the "Warranty Period"), DRG warrants to Customer that the Services will be performed in a timely, professional and workmanlike manner by qualified personnel.

To the extent the Services involve the evaluation or documentation ("Observational Data") of trees, tree inventories, natural areas, wetlands and other water features, animal or plant species, or other subjects (collectively, "Subjects"), the Observational Data will pertain only to the specific point in time it is collected (the "Time of Collection"). DRG will not be responsible nor in any way liable for (a) any

conditions not discoverable using the agreed upon means and methods used to perform the Services, (b) updating any Observational Data, (c) any changes in the Subjects after the Time of Collection (including, but not limited to, decay or damage by the elements, persons or implements; insect infestation; deterioration; or acts of God or nature [collectively, “Changes”]), (d) performing services that are in addition to or different from the originally agreed upon Services in response to Changes, or (e) any actions or inactions of you or any third party in connection with or in response to the Observational Data. If a visual inspection is utilized, visual inspection does not include aerial or subterranean inspection, testing, or analysis unless stated in the scope of work. When performing tree inventories or assessments, DRG will not be liable for the discovery or identification of non-visually observable, latent, dormant, or hidden conditions or hazards, and does not guarantee that Subjects will be healthy or safe under all circumstances or for a specified period of time, or that remedial treatments will remedy a defect or condition.

To the extent you request DRG’s guidance on your permitting and license requirements, DRG’s guidance represents its recommendations based on its understanding of and experience in the industry and does not guarantee your compliance with any particular federal, state or local law, code or regulation.

DRG may review information provided by or on behalf of you, including, without limitation, paper and digital GIS databases, maps, and other information publicly available or other third-party records or conducted interviews (collectively, “Source Information”). DRG assumes the genuineness of all Source Information. DRG disclaims any liability for errors, omissions, or inaccuracies resulting from or contained in any Source Information.

If it is determined that DRG has breached this Limited Warranty, DRG will, in its reasonable discretion, either: (i) re-perform the defective part of the Services or (ii) credit or refund the fees paid for the defective part of the Services. **This remedy will be your sole and exclusive remedy and DRG’s entire liability for any breach of this Limited Warranty.** You will be deemed to have accepted all of the Services if written notice of an alleged breach of this Limited Warranty is not delivered to DRG prior to the expiration of the Warranty Period.

To the greatest extent permitted by law, except for this Limited Warranty, DRG makes no warranty whatsoever, including, without limitation, any warranty of merchantability or fitness for a particular purpose, whether express or implied, by law, course of dealing, course of performance, usage of trade or otherwise.

SCHEDULE OF PROFESSIONAL FEES

Position	Hourly Rate (\$)
Principal	265.00
Principal Consultant I	185.00
Senior Associate Consultant V	180.00
Senior Associate Consultant IV	175.00
Environmental Scientist/Specialist V	100.00
Environmental Scientist/Specialist III	90.00
Project Support Staff	75.00

Terms: Net 30 days.

A 20% fee will be added to project expenses, subcontractor's invoices, and the prevailing IRS mileage reimbursement rate.

Expert witness preparation and testimony will be billed at 150% of scheduled fees.

Rates subject to annual adjustment on January 1st.

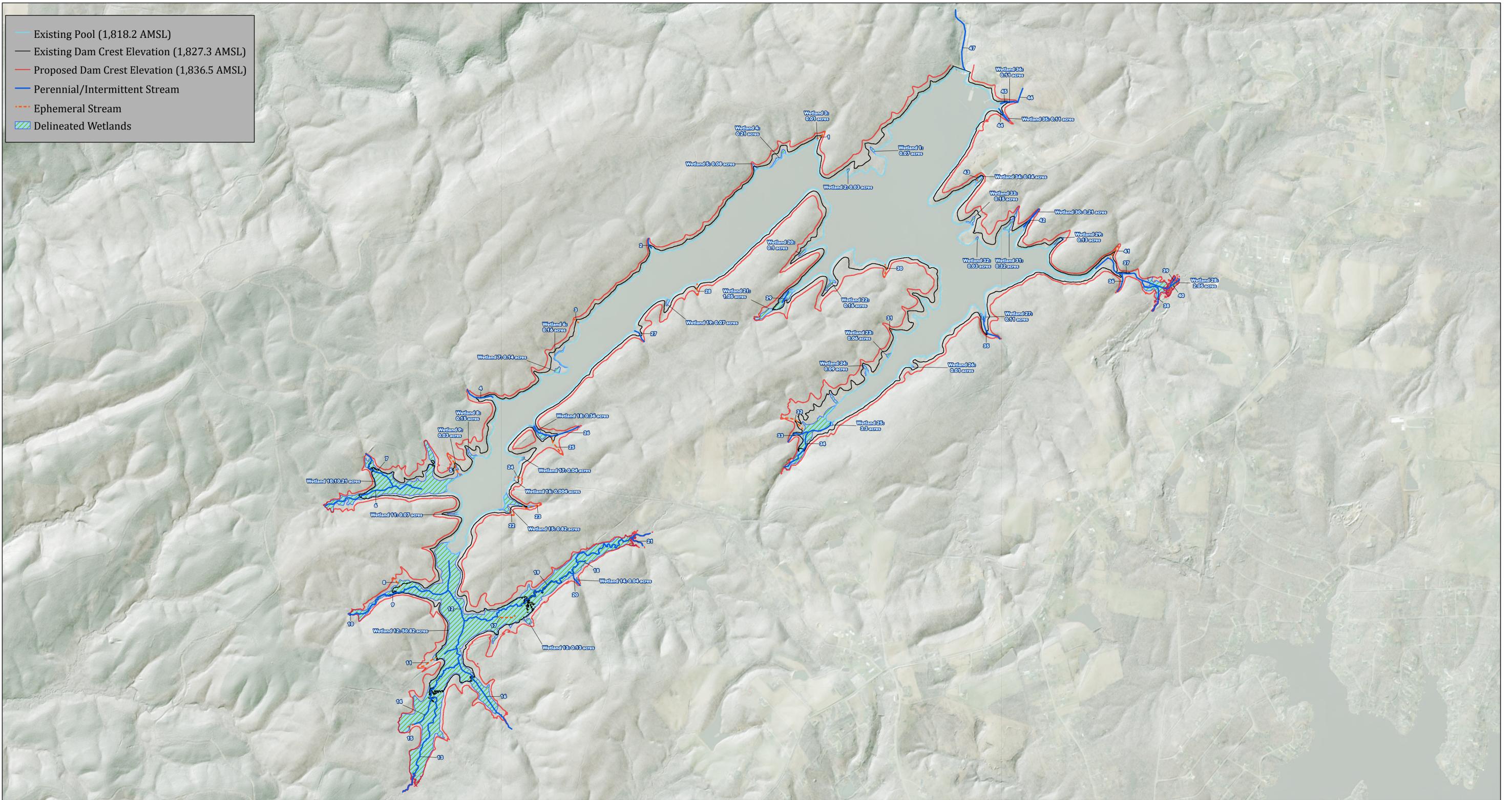


Figure 1. Existing Aquatic Resources Summary Map.
Meadow Park Lake Natural Resources Assessment
Cumberland County
Tennessee

