

DESIGN PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, 2026, by and between the City of Merced, a California Charter Municipal Corporation, whose address of record is 678 West 18th Street, Merced, California 95340, (hereinafter referred to as "City") and J.B. Anderson Land Use Planning, a California Corporation, whose address of record is 139 South Stockton Avenue, Ripon, California 95366 (hereinafter referred to as "Consultant").

WHEREAS, City is undertaking a project two projects to annex approximately 208.44 acres generally bounded by the Bellevue Ranch master Development Plan area to the north and east, Bellevue Road to the south, and future Eddington Avenue to the west; and,

WHEREAS, Consultant represents that it possesses the professional skills to provide environmental services in connection with said project.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants hereinafter recited, hereby agree as follows:

1. SCOPE OF SERVICES; PERFORMANCE.

A. Consultant shall furnish the following services: Consultant shall provide the planning environmental services described in Exhibit "A" attached hereto.

B. No additional services shall be performed by Consultant unless approved in advance in writing by City, stating the dollar value of the services, the method of payment, and any adjustment in contract time. All such services are to be coordinated with City and the results of the work shall be monitored by the Director of Development Services or designee. However, the means by which the work is accomplished shall be the sole responsibility of Consultant.

C. In meeting its obligations under this Agreement, Consultant shall at all times faithfully and competently perform all tasks described herein in a manner satisfactory to City and consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions.

2. TIME OF PERFORMANCE. All of the work outlined in the Scope of Services shall be completed in accordance with the Schedule outlined in Exhibit "A" attached hereto and incorporated herein by reference. By mutual agreement and written addendum to this Agreement, City and Consultant may change the requirements in said Schedule.

3. TERM OF AGREEMENT. The term of this Agreement shall commence upon the day first above written and end when the environmental document is completed to the City's satisfaction, all required copies of the document have been provided, all required meetings have been attended, and the final documents has been certified by the City.

4. COMPENSATION. Payment by City to Consultant for actual services rendered under this Agreement shall be made upon presentation of an invoice detailing services performed under the Scope of Services, in accordance with the Fee Schedule set forth in Exhibit "A" attached hereto and incorporated herein by reference. Consultant agrees to provide all services required under the Scope of Services in Exhibit "A" within the compensation amount set forth in Exhibit "A". For Consultant's services rendered under this Agreement, City shall pay Consultant the not to exceed sum of Forty-Five Thousand Sixty-Eight Dollars \$45,068.

5. METHOD OF PAYMENT. Compensation to Consultant shall be paid by City after submission by Consultant of an invoice delineating the services performed.

6. RECORDS. It is understood and agreed that all plans, studies, specifications, data magnetically or otherwise recorded on computer or computer diskettes, records, files, reports, etc., prepared by Consultant in the course of providing the services performed pursuant to this Agreement shall be the property of City, and Consultant hereby agrees to deliver the same to City upon termination of the Agreement. It is understood and agreed that the documents and other materials including but not limited to those set forth hereinabove, prepared pursuant to this Agreement are prepared specifically for City and are not necessarily suitable for any future or other use.

7. CONSULTANT'S BOOKS AND RECORDS. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to City for a minimum of three

(3) years, or for any longer period required by law, from the date of final payment to Consultant to this Agreement. Any records or documents required to be maintained shall be made available for inspection, audit and/or copying at any time during regular business hours, upon oral or written request of City.

8. INDEPENDENT CONTRACTOR.

A. Consultant is and shall at all times remain as to City a wholly independent Consultant. The personnel performing the services and tasks under this Agreement on behalf of Consultant shall not be City employees and shall at all times be under Consultant's exclusive direction and control. Consultant and all of Consultant's personnel shall possess the qualifications, permits, and licenses required by state and local law to perform the services and tasks under this Agreement, including, without limitation, a City business license as required by the Merced Municipal Code. Consultant shall determine the means, methods, and details by which Consultant's personnel will perform the services and tasks. Consultant shall be solely responsible for the satisfactory work performance of all personnel engaged in performing the services and tasks, and compliance with the customary professional standards. Neither City nor any of its officers, employees, agents, or volunteers shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents.

B. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of City. Consultant and Consultant's personnel shall not supervise any of City's employees; and City's employees shall not supervise Consultant's personnel. Consultant's personnel shall not wear or display any City uniform, badge, identification number, or other information identifying such individual as a City employee; and Consultant's personnel shall not use any City e-mail address or City telephone number in the performance of any of the services and tasks under this Agreement. Consultant shall acquire and maintain at its sole cost and expense such vehicles, equipment, and supplies as Consultant's personnel require to perform any of the services and tasks required by this Agreement. Consultant shall perform all services and tasks off of City premises at locations of Consultant's choice, except as otherwise may from time to time be necessary in order for Consultant's personnel to receive projects from City, review plans on file at City, pick up or deliver any work product related to Consultant's performance of any services and tasks under this Agreement, or as may be necessary to inspect or visit City locations and/or private property to perform the services and tasks. City may make a computer available to Consultant from time to time for Consultant's

personnel to obtain information about, or to check on, the status of projects pertaining to the services and tasks performed under this Agreement. Consultant shall not incur or have the power to incur any debt, obligation or liability whatsoever against City, or bind City in any manner.

C. No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services and tasks hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services and tasks hereunder. Consultant shall be responsible for and pay all salaries, wages, benefits and other amounts due to Consultant's personnel in connection with their performance of the services and tasks under this Agreement, and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to, Social Security taxes, other retirement or pension benefits, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance. Notwithstanding any other agency, state, or federal policy, rule, regulation, statute, or ordinance to the contrary, Consultant and any of its officers, employees, agents, and subconsultants providing any of the services and tasks under this Agreement shall not become entitled to, and hereby waive any claims to, any wages, salaries, compensation, benefit, or any incident of employment by City, including, but not limited to, eligibility to enroll in, or reinstate to membership in, the California Public Employees Retirement System ("PERS") as a City employee, and entitlement to any contribution to be paid by City for employer contributions or employee contributions for PERS benefits.

D. Consultant shall indemnify and hold harmless City and its elected officials, officers, employees, servants, designated volunteers, and agents serving as independent consultants in the role of City officials, from any and all liability, damages, claims, costs, and expenses of any nature to the extent arising from, caused by, or relating to Consultant's personnel practices, or to the extent arising from, caused by, or relating to the violation of any of the provisions of this Section. In addition to all other remedies available under law, City shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to City from Consultant as a result of Consultant's failure to promptly pay to City any reimbursement or indemnification arising under this Section. This duty of indemnification is in addition to Consultant's duty to defend, indemnify, and hold harmless as set forth in any other provision of this Agreement.

9. INDEMNITY.

A. Indemnity for Design Professional Services. In connection with its design professional services, Consultant shall hold harmless and indemnify City, and its elected officials, officers, employees, servants, designated volunteers, and those City agents serving as independent consultants in the role of City officials (collectively, "Indemnitees"), with respect to any and all claims, demands, damages, liabilities, losses, costs or expenses, including reimbursement of attorneys' fees and costs of defense (collectively, "Claims" hereinafter), including but not limited to Claims relating to death or injury to any person and injury to any property, which arise out of, pertain to, or relate in whole or in part to the negligence, recklessness, or willful misconduct of Consultant or any of its officers, employees, sub-consultants, or agents in the performance of its professional services under this Agreement.

B. Other Indemnities. In connection with any and all claims, demands, damages, liabilities, losses, costs or expenses, including attorneys' fees and costs of defense (collectively, "Damages" hereinafter) not covered by Paragraph A (above) of this Section 9, Consultant shall defend, hold harmless and indemnify the Indemnitees with respect to any and all Damages, including but not limited to, Damages relating to death or injury to any person and injury to any property, which arise out of, pertain to, or relate to acts or omissions of Consultant or any of its officers, employees, sub-consultants, or agents in the performance of this Agreement, except for such loss or damage arising from the sole negligence or willful misconduct of City, as determined by final arbitration or court decision or by the agreement of the parties. Consultant shall defend Indemnitees in any action or actions filed in connection with any such Damages with counsel of City's choice, and shall pay all costs and expenses, including all attorneys' fees and experts' costs actually incurred in connection with such defense. Consultant's duty to defend pursuant to this Section 9.B shall apply independent of any prior, concurrent or subsequent misconduct, negligent acts, errors or omissions of Indemnitees.

10. INSURANCE. During the term of this Agreement, Consultant shall maintain in full force and effect at its own cost and expense, the following insurance coverage:

A. Workers' Compensation Insurance. Full workers' compensation insurance shall be provided with a limit of at least One Hundred Thousand Dollars (\$100,000.00) for any one person and as required by law, including Employer's Liability limits of \$1,000,000.00 per accident. The policy shall be endorsed to waive the insurer's subrogation rights against City.

B. General Liability.

- (i) Consultant shall obtain and keep in full force and effect general liability coverage at least as broad as ISO commercial general liability coverage occurrence Form CG 0001.
- (ii) Consultant shall maintain limits of no less than One Million Dollars (\$1,000,000.00) per occurrence for bodily injury, personal injury and property damage.
- (iii) City, its officers, employees, volunteers and agents are to be named as additional insureds under the policy, as respects liability arising out of work or operations performed by or on behalf of Consultant.
- (iv) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Consultant and its sub-contractors, and that any other insurance or self insurance maintained by City or other named insureds shall be excess and non-contributory.
- (v) Consultant shall maintain its commercial general liability coverage for three (3) years after completion of the work and shall add an additional insured endorsement form acceptable to City naming the City of Merced, its officers, employees, agents and volunteers for each year thereafter for at least three (3) years after completion of the work. Copies of the annual renewal and additional insured endorsement form shall be sent to City within thirty (30) days of the annual renewal.

C. Automobile Insurance.

- (i) Consultant shall obtain and keep in full force and effect an automobile policy of at least One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.

- (ii) City, its officers, employees, volunteers and agents are to be named as additional insureds under the policy, as respects automobiles owned, leased, hired or borrowed by the Consultant.
- (iii) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Consultant and its sub-contractors, and that any other insurance or self-insurance maintained by City or other named insureds shall be excess and non-contributory.

D. Professional Liability Insurance. Consultant shall carry professional liability insurance appropriate to Consultant's profession in the minimum amount of One Million Dollars (\$1,000,000.00). Architects and engineers' coverage is to be endorsed to include contractual liability.

E. Cyber Liability Insurance. Consultant shall obtain and maintain Cyber Liability insurance in a minimum amount of One Million Dollars (\$1,000,000) per occurrence or claim, One Million Dollars (\$1,000,000) aggregate.

Coverage shall be sufficiently broad to respond to the duties and obligations as are undertaken by Consultant in this Agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including, but not limited to, infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information **or personally identifiable information (PII),** alteration of electronic information, extortion, and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties and credit monitoring expenses with limits sufficient to respond to these obligations. Cyber Liability insurance must be maintained, and evidence of insurance shall be provided to CITY for at least two (2) years after completion of work under this Agreement.

F. Qualifications of Insurer. The insurance shall be provided by an acceptable insurance provider, as determined by City, which satisfies all of the following minimum requirements:

- (i) An insurance carrier admitted to do business in California and maintaining an agent for service of process within this State; and,

- (ii) An insurance carrier with a current A.M. Best Rating of A:VII or better (except for workers' compensation provided through the California State Compensation Fund).

G. Certificate of Insurance. Consultant shall complete and file with City prior to engaging in any operation or activity set forth in this Agreement, certificates of insurance evidencing coverage as set forth above and which shall provide that no cancellation or expiration by the insurance company will be made during the term of this Agreement, without thirty (30) days written notice to City prior to the effective date of such cancellation—including cancellation for nonpayment of premium. In addition to any other remedies City may have, City reserves the right to withhold payment if Consultant's insurance policies are not current.

11. PREVAILING WAGES.

A. Labor Code Compliance. If the work performed under this Agreement falls within Labor Code Section 1720(a)(1) definition of a "public work", Consultant agrees to comply with all of the applicable provisions of the Labor Code including those provisions requiring the payment of not less than the general prevailing rate of wages. Consultant further agrees to the penalties and forfeitures provided in said Code in the event a violation of any of the provisions occurs in the execution of this Agreement.

B. These wage rate determinations are made a specific part of this Agreement by reference pursuant to Labor Code Section 1773.2. General Prevailing Wage Rate Determinations may be obtained from the Department of Industrial Relations Internet site at <http://www.dir.ca.gov/>.

C. After award of the Agreement, and prior to commencing work, all applicable General Prevailing Wage Rate Determinations, if applicable, are to be obtained by Consultant from the Department of Industrial Relations. These wage rate determinations are to be posted by Consultant at the job site in accordance with Section 1773.2 of the California Labor Code.

D. Consultant agrees to include prevailing wage requirements, if applicable, in all subcontracts when the work to be performed by the subcontractor under this Agreement is a "public works" as defined in Labor Code Section 1720(a)(1) and Labor Code Section 1771.

12. PERS COMPLIANCE AND INDEMNIFICATION.

A. General Requirements. The parties acknowledge that City is a local agency member of PERS, and as such has certain pension reporting and contribution obligations to PERS on behalf of qualifying employees. Consultant agrees that, in providing its employees and any other personnel to City to perform the services and tasks under this Agreement, Consultant shall assure compliance with the Public Employees' Retirement Law, commencing at Government Code Section 20000, the regulations of PERS, and the Public Employees' Pension Reform Act of 2013, as amended. Without limitation to the foregoing, Consultant shall assure compliance with regard to personnel who have active or inactive membership in PERS and to those who are retired annuitants, and in performing this Agreement shall not assign or utilize any of its personnel in a manner that will cause City to be in violation of the applicable retirement laws and regulations.

B. Indemnification. Consultant shall defend (with legal counsel approved by City, whose approval shall not be unreasonably withheld), indemnify, and hold harmless City, and its City and its elected officials, officers, employees, servants, designated volunteers, and agents serving as independent consultants in the role of City officials, from any and all liability, damages, claims, costs and expenses of any nature to the extent arising from, caused by, or relating to Consultant's violation of any provisions of this Section. This duty of indemnification is in addition to Consultant's duty to defend, indemnify, and hold harmless as set forth in any other provision of this Agreement.

13. RELEASE OF INFORMATION.

A. All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents or sub-consultants, shall not without written authorization from City Manager or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement or relating to any project or property located within City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

B. Consultant shall promptly notify City should Consultant, its officers, employees, agents or sub-consultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under or with respect to any project or property located within City. City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

14. NOTICES. Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by: (i) personal service, (ii) delivery by a reputable document delivery service, such as, but not limited to, Federal Express, that provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by Notice. Notice shall be effective upon delivery to the addresses specified below or on the third business day following deposit with the document delivery service or United States Mail as provided above.

To City: City of Merced
 678 West 18th Street
 Merced, California 95340
 Attention: City Manager

To Consultant: J.B. Anderson land Use
 139 S. Stockton Ave.
 Ripon, Ca 95366
 Attention: Mark Niskanen

15. ASSIGNABILITY OF AGREEMENT. It is understood and agreed that this Agreement contemplates personal performance by Consultant and is based upon a determination of its unique personal competence and experience and upon its specialized personal knowledge. Assignments of any or all rights, duties or obligations of Consultant under this Agreement will be permitted only with the express written consent of City.

16. TERMINATION FOR CONVENIENCE OF CITY. City may at any time, for any reason, with or without cause, terminate this Agreement by mailing a notice in writing to Consultant that the Agreement is terminated. Said Agreement shall then be deemed terminated, and no further work shall be performed by Consultant. If the Agreement is so terminated, Consultant shall be paid for that percentage of the phase of work actually completed, based on a pro rata portion of the compensation for said phase satisfactorily completed at the time the notice of termination is received.

17. LEGAL RESPONSIBILITIES.

A. Consultant shall keep itself informed of all local, State and Federal ordinances, laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. Consultant shall at all times observe and comply with all such ordinances, laws and regulations. City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of Consultant to comply with this section. No discrimination shall be made by Consultant in the employment of persons to work under this contract because of race, color, national origin, ancestry, disability, sex or religion of such person.

B. At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

C. Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act (8 U.S.C.A. 1101 *et seq.*), as amended; and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any agency or instrumentality of the federal or state government, including the courts, impose sanctions against City for such use of unauthorized aliens, Consultant hereby agrees to, and shall, reimburse City for the cost of all such sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City in connection therewith.

18. WAIVER. In the event that either City or Consultant shall at any time or times waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or any other covenant, condition or obligation. Waiver shall not be deemed effective until and unless signed by the waiving party.

19. INCONSISTENT OR CONFLICTING TERMS IN AGREEMENT AND EXHIBITS.

A. In the event of any contradiction or inconsistency between any attached document(s) or exhibit(s) incorporated by reference herein and the provisions of the Agreement itself, the terms of the Agreement shall control.

B. Any exhibit that is attached and incorporated by reference shall be limited to the purposes for which it is attached, as specified in this Agreement. Any contractual terms or conditions contained in such exhibit imposing additional obligations on City are not binding upon City unless specifically agreed to in writing, and initialed by the authorized City representative, as to each additional contractual term or condition.

20. AMBIGUITIES. This Agreement has been negotiated at arms' length between persons knowledgeable in the matters dealt with herein. Accordingly, any rule of law, including, but not limited to, Section 1654 of the Civil Code of California, or any other statutes, legal decisions, or common-law principles of similar effect, that would require interpretation of any ambiguities in this Agreement against the party that drafted this Agreement is of no application and is hereby expressly waived.

21. DEFAULT OF CONSULTANT.

A. Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and can terminate this Agreement immediately by written notice to Consultant. If such failure by Consultant to make progress in the performance of work hereunder arises out of causes beyond Consultant's control, and without fault or negligence of Consultant, it shall not be considered a default.

B. If the City Manager or his delegate determines that Consultant is in default in the performance of any of the terms or conditions of this Agreement, it shall serve Consultant with written notice of the default. Consultant shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that Consultant fails to cure its default within such period of time, City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further

notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.”

22. GOVERNING LAW; VENUE; PREVAILING PARTY. City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with geographic jurisdiction over the City of Merced. In the event such litigation is filed by one party against the other to enforce its rights under this Agreement, the prevailing party, as determined by the Court's judgment, shall be entitled to reasonable attorney fees and litigation expenses for the relief granted.

23. AMENDMENT. This Agreement shall not be amended, modified, or otherwise changed unless in writing and signed by both parties hereto.

24. INTEGRATION. This Agreement constitutes the entire understanding and agreement of the parties and supersedes all previous and/or contemporaneous understanding or agreement between the parties with respect to all or any part of the subject matter hereof.

25. AUTHORITY TO EXECUTE. The person or persons executing this Agreement on behalf of the parties hereto warrants and represents that he/she/they has/have the authority to execute this Agreement on behalf of their entity and has/have the authority to bind their party to the performance of its obligations hereunder.

26. COUNTERPARTS. This Agreement may be executed in one or more counterparts with each counterpart being deemed an original. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterparts executed by the other parties hereto are in the physical possession of the party or parties seeking enforcement thereof.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first above written.

CITY OF MERCED
A California Charter Municipal
Corporation

BY: _____
D. Scott McBride
City Manager

ATTEST:
D. SCOTT MCBRIDE, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

APPROVED AS TO FORM:
CRAIG J. CORNWELL, CITY ATTORNEY

BY: Craig Cornwell 12/29/2025
City Attorney Date

ACCOUNT DATA:
M. VENUS RODRIGUEZ, FINANCE OFFICER

BY: _____
Verified by Finance Officer

{Signatures continued on next page}

CONSULTANT
J.B. ANDERSON LAND USE
PLANNING, A California Corporation

BY: _____
(Signature)

Mark Niskanen
(Typed Name)

Its: Vice President
(Title)

Taxpayer I.D. No. _____

ADDRESS: 139 S. Stockton Ave.
Ripon, CA 95366

TELEPHONE: 209-599-8377
FAX: _____
E-MAIL:
mark@jbandersonplanning.com

City of Merced

Baxter Ranch – Ardison Annexation and Prezone CEQA Scope of Work and Cost Estimate

AS REVISED ON December 3, 2025

PROJECT UNDERSTANDING

Stonefield Homes, on behalf of Baxter Ranch, LLC, has submitted and received approval for a Pre-Annexation Application for a Project known as Baxter Ranch. Based on a review of the Pre-Annexation Application materials, the Proposed Project is approximately 160.44-acres in size and is bounded by the Bellevue Ranch Master Development Plan area to the north and east, Bellevue Road to the south, and future Eddington Avenue to the west. At full build-out, the Proposed Project will result in 580 single-family residential units, 9.35-acres of parkland, 3.6-acres of Parkinson Drain open space, and 1.48-acres of Fahrens Creek Open Space. All development within the Proposed Project are to be consistent with the City's General Plan.

In April 2025, Stonefield Homes also received approval for a Pre-Annexation Application for a property known as "Ardison." The Ardison property consists of approximately forty-eight (48) acres and is designated for Village Residential and Low Density Residential by the City's General Plan. The Merced City Council approved the Pre-Annexation Application on April 21, 2025.

The CEQA approach recommended is that the CEQA compliance documents prepared under this Scope of Work will include both the Baxter Ranch Project and the Ardison Project ("Project"). The Scope of Work and Cost Estimate included herein includes both the Baxter Ranch and Ardison Annexation proposals. The Cost Estimate provided includes a breakdown, based on acreage, of the financial obligation for each Project.

As part of the CEQA environmental review, various Technical Studies will be commissioned by the Applicant, including, but not limited to, Traffic, Air Quality, and Greenhouse Gas Emissions. For the purposes of this Proposal, it is assumed that the appropriate level of environmental review required is a Mitigated Negative Declaration. If at such time it is determined that an Environmental Impact Report (EIR) is required, a separate Proposal will be prepared. The scope of work provided below is based upon this assumption.

TASK 1 BACKGROUND RESEARCH AND AB52 COMPLIANCE

Background Research: Various documents, most notably the City of Merced's General Plan and EIR, the Proposed Project's Land Use Application and Pre-Annexation Application Submittal package, written correspondence from City Departments and Outside Agencies, and the Proposed Project's Technical Studies shall be reviewed in preparation of the Project Description and CEQA analysis.

AB52 Compliance: JBAP Staff shall prepare and submit notifications to Native American Tribes in accordance with AB52. Native American Tribes will have thirty (30) days upon receipt of such letter to request consultation during the CEQA process.

EXHIBIT A

Deliverables: Meeting Minutes of the Project Kick-Off Meeting shall be provided via email. AB52 letters and responses.

Meetings: There are no meetings anticipated for this task.

TASK 2 PROJECT DESCRIPTION

Upon completion of the Proposed Project's Background Research, JBAP staff shall prepare the Project Description, which will be included as part of the Project's CEQA compliance documents. A Draft Project Description will be submitted to the City of Merced staff and the Applicant for review and comment. Upon review, any comments received by City staff and the Applicant will be incorporated, and the Project Description will be finalized.

Deliverables: An electronic copy of the Draft and Final Project Description provided via email.

Meetings: There are no meetings anticipated for this task.

TASK 3 INITIAL STUDY

JBAP staff shall initiate and prepare the Proposed Project's Initial Study. The Proposed Project's Initial Study (IS) shall be prepared in accordance with Section 15603 of the CEQA Guidelines.

The format of the Initial Study shall follow Appendix G of the CEQA Guidelines, unless otherwise directed based on discussions with the City of Merced. The Initial Study shall consist of the following:

1. Background
2. Sources
3. Environmental Factors Potentially Affected
4. Determination
5. Summary of Mitigation Measures
6. Background and Introduction
7. Project Description
8. Environmental Evaluation
9. Appendices

JBAP also understands that various project specific technical studies will be provided by the Applicant for use and reference within the IS. These studies include, but are not limited to, Traffic, Air Quality, and Greenhouse Gas Emissions.

Administrative and Public Review Draft IS/MND: JBAP staff shall first prepare an Administrative Review Draft Initial Study/Mitigated Negative Declaration for review by the City of Merced and the Applicant. The City staff and the Applicant shall each be provided one (1) electronic copy for review and comment. Upon review and comment, JBAP staff shall incorporate comments from the City and Applicant and prepare the Public Review Draft Initial Study/Mitigated Negative Declaration (IS/MND).

It is assumed that the City will be responsible for all required public review notices and postings, as defined by CEQA Statute and Guidelines.

Deliverables: One (1) electronic copy each of the Administrative Draft Initial Study/Mitigated Negative Declaration. One (1) electronic copy, and ten (10) copies on disk/flash drive of the Public Review Draft Initial Study/Mitigated Negative Declaration.

Meetings: There are no meetings anticipated for this task. However, conference calls may be warranted to conduct discussions on the Project's IS/MND.

TASK 4 PUBLIC REVIEW PERIOD

Once the 30-day Public Review period has closed, JBAP staff shall collect, and review comments received. For the purposes of this task, it is not anticipated that the Project's Mitigated Negative Declaration will be required to be re-circulated for public review based on the level and type of public comments received.

Deliverables: If necessary, documentation providing Response to Comment Letters.

Meetings: There are no meetings anticipated for this task.

TASK 5 MMRP AND NOTICE OF DETERMINATION

Upon completion of the public review period and responses to comments, and prior to any public hearings, JBAP staff shall prepare the Proposed Project's Mitigation Monitoring and Reporting Program (MMRP) in accordance with CEQA Guidelines. The MMRP will also be incorporated as Conditions of Approval for the VTSM.

JBAP staff shall coordinate with City staff to allow for approval of the Proposed Project's MND, and the preparation and filing of the Project's Notice of Determination. This task also assumes JBAP staff will attend the Planning Commission and City Council Public Hearings.

This task shall also include preparation and filing of the Project's Notice of Determination (NOD) in accordance with Section 15075 of the CEQA Guidelines. The need for preparing a NOD will be determined by Task 6. The Project's NOD shall be filed with the State Office of Planning and Research and Merced County Clerk's Office within five (5) days of certification of the Project's CEQA compliance document.

Deliverables: Copies of the Project's Notice of Determination.

Meetings: One (1) Public Hearing each at the Planning Commission and City Council.

Cost Estimate

The following cost estimate is an estimate of costs associated with preparing the Project's CEQA compliance documents. Required Technical Studies are not included. JBAP staff will coordinate with the Applicant and City staff to determine the applicable technical studies required. In addition, actual costs may vary based upon any unforeseen issues. JBAP staff will not exceed the estimate provided below without Client authorization.

Baxter Ranch/Ardison CEQA Proposal		President	Vice President	Senior Planner	Associate Planner	Admin Assistant	
Hourly Rate		\$255	\$232	\$191	\$149	\$72	
		HOURS					COST
TASK 1	Background Research and AB52 Compliance	0	4	8	16	2	\$4,984.00
TASK 2	Project Description	0	4	8	16	4	\$5,128.00
TASK 3	Initial Study	0	16	40	60	16	\$21,444.00
TASK 4	Public Review	0	8	8	8	8	\$5,152.00
TASK 5	MMRP and Notice of Determination	0	8	4	4	2	\$3,360.00
	Sub-Total of Tasks	0	40	68	104	32	\$40,068.00
	Administrative Expenses (i.e. Mileage, Copies, Project Administration). Also includes 15% Administration Charge for review of Applicant Submitted Technical Studies						\$5,000.00
	TOTAL CONTRACT AMOUNT						\$45,068.00
	<i>Ardison Share (based on acreage)</i>						\$10,365.64
	<i>Baxter Share (based on acreage)</i>						\$34,702.36