

Ernst & Young Infrastructure Advisors, LLC 101718-EYG

Pricing for contract #101718-EYG offers Sourcewell participating agencies the following discounts:

8.2 Time and Materials Rates

Following are the EY Team's fully-loaded commercial hourly rates.

8.2.1 EY

EY	
Labor Category	Hourly Rates
Partners, Senior Managing Directors, Managing Directors and Executive Directors	\$625
Senior Managers and Senior Vice Presidents	\$565
Managers and Vice Presidents	\$490
Senior Associates and Senior Consultants	\$375
Analysts, Staff Consultants and Associates	\$225
Global Delivery Services ("GDS")	\$235

The EY rates presented here represent an average discount of approximately 60% over our standard rates (GDS excepted), with the largest discounts applied to our Partners and Senior Managing Directors and our Parthenon practice.

Whenever work is conducted by Canadian EY employees for Canadian clients, the same nominal rates will apply but in Canadian dollars (e.g. for a Canadian partner doing work in Canada for a Canadian client the rate per hour will be \$CAN 595 per hour).

8.2.2 CTC

CTC	
Labor Category	Hourly Rates
Chief Technology Officer	\$280
Principal Analyst/Engineer	\$270
Senior Analyst/Engineer	\$245
Staff Analyst/Engineer	\$235
Communications/Engineering Aide	\$118

The CTC rates presented here are inclusive of all mark-ups and were built from base rates which included a 20% discount over CTC's recent contract rates.

8.2.3 WSP

WSP	
Labor Category	Hourly Rates
Principal Professional	\$515
Senior Professional	\$445
Lead Professional	\$295
Mid-Level Professional	\$185
Junior Professional	\$130
Senior Technician	\$148
Technician	\$111

The WSP rates presented here are inclusive of all mark-ups and were built from base rates which included a 10% discount over WSP's standard commercial rates.

Where required, WSP could provide FARS compliant rates, which in no case will exceed these rates (inclusive of mark-up).

8.3 Activity-based and Fixed-fee services

We will provide certain desktop valuation services (as described in response to Question 3, Form A) on the following fixed bases.

8.3.1 Fair Market Value of asset groupings currently deployed under established contracts

For owned asset groupings currently deployed under established contracts, pricing for determining the fair market value will be determined by the number of contracts and the type/complexity of the underlying contracts.

# of Contracts	Price per Contract
1 to 9	\$5,000
10 to 99	\$4,000
100 to 199	\$3,000
200+	\$2,000

8.3.2 Fair Market Value of individual owned assets

To the extent fair market valuations of individual owned assets are requested, pricing will be determined based on the number of assets, or in the case of personal property, on the original cost basis of the aggregate fixed asset listing.

Stand-alone real property valuations (i.e., land, building, plus improvements):			
Number of properties	1 to 3	4 to 10	11 or more
Price range, per property	\$8,000	\$7,000	\$6,250

Stand-alone real property valuations (i.e., land, building, plus improvements):			
Land parcel only valuations:			
Number of properties	1 to 3	4 to 10	11 or more
Price range, per property	\$4,000	\$3,250	\$2,500
Leasehold (ground and traditional) valuations:			
Number of properties *	1 to 100	100 to 300	300 or more
Price range, per property	\$1,500	\$1,125	\$875
* Based on our experience, depending on the population of leaseholds, an economy of scope can be achieved based on quality of data similarity of leasehold characteristics. Such portfolios could be valued for a lower per-lease fee utilizing data analytics			
Personal property valuations (a) (b):			
Asset	Fee range (all personal property)		
Personal property with original cost of less than \$2 million	\$5,000		
Personal property with original cost between \$2 million and \$5 million	\$7,500		
Personal property with original cost greater than \$5 million	\$10,000		
(a) Includes assets consistent with typical wireless and wireline businesses including towers, fiber, optronics / electronics, and administrative / support equipment.			
(b) Our scope and corresponding fee estimates assume that the detailed fixed asset records to be provided will be available in electronic format; will materially reconcile to the balance sheet; and the data within the asset records will materially represent historical cost basis and true year of acquisition on an individual asset basis.			

8.4 Rate escalation and Expenses

All EY, CTC and WSP rates and prices will escalate at a fixed rate of 5% annually.

Pre-approved expenses, data acquisition costs and travel are not included in the rates and prices above, and will be invoiced at cost or in accordance with mutually agreed clients travel and expense policies.

8.5 Minimum order size

The minimum order size is \$60,000 regardless of scope or combination of services, including a minimum of \$50,000 of prime contractor work. The 60,000 minimum requirement will not apply to subsequent orders by the same Sourcewell Member.

When the minimum prime contractor commitment is not met, but the minimum order size is met, contracts will still be executed but a prime contractor fee of \$2,500 will be charged for subcontractor engagement set-up and closure.

We encourage Sourcewell Members with neighboring, adjoining, or overlapping footprints to team up so as to meet the minimum order size and benefit from more efficient work flows – and in many instances to increase negotiating power with and competitive interest from third-parties.

8.6 Indicative Fee estimates, by activity and Sourcewell Member types

We have devised an indicative categorization structure for Sourcewell Members by “Service Segment” (see our response to Question 3, Form A, specifically 3.3) to allow us to characterize services and levels of effort appropriate to the size, complexity, and cost expectations of any potential member, large or small. Our categorization framework is a guideline only, meaning that any Sourcewell Member could request to avail themselves of services in another category, if they believe that those are more appropriate for them given their specific situation.

We provide here estimates of the likely fee ranges for providing services requested for each type of Service Segment.

The estimates given here are indicative only and are for representative services. They are meant for two purposes:

- ▶ Help Sourcewell gauge our team’s ability to serve all of its members and to scale our level of effort appropriately
- ▶ Help Sourcewell Members roughly anticipate the cost to them of availing themselves of a common portfolio of services.

Many factors, can affect the cost of services up or down, including the actual circumstances and needs of the given Sourcewell Member. Examples of considerations are described in response to Question 3, Form A, and references in the table below are to the detailed services described in the given sub-sections of that response.

Service Segment	I	II	III	IV	V
Appropriate for	Single location	One large public building complex Several small office locations	Entire municipal right of way and public buildings of a small jurisdiction	Large and/or dense area with numerous sites, and diverse opportunities	Extremely large area with heterogeneous mix of sites and multiple significant opportunities
a. Valuation / Market potential	3.5 (a) i Desktop valuation: Fixed Fee See table above 3.5 (a) ii and iii jointly Market assessment and cost assessment: \$25,000 - 40,000	3.5 (a) i Desktop valuation: Fixed Fee See table above 3.5 (a) ii and iii jointly Market assessment and cost assessment: \$50,00-80,000	3.5 (a) i Desktop valuation: Fixed Fee See table above 3.5 (a) ii and iii jointly Market assessment and cost assessment: \$250,000	3.5 (a) i Desktop valuation: Fixed Fee See table above 3.5 (a) ii and iii jointly Market assessment and cost assessment: \$650,000	3.5 (a) i Desktop valuation: Fixed Fee See table above 3.5 (a) ii and iii jointly Market assessment and cost assessment: \$1M+

Service Segment	I	II	III	IV	V
Appropriate for	Single location	One large public building complex Several small office locations	Entire municipal right of way and public buildings of a small jurisdiction	Large and/or dense area with numerous sites, and diverse opportunities	Extremely large area with heterogeneous mix of sites and multiple significant opportunities
b. Guidance on installation and operation on the public right of way including local rules and regulation	3.5 (b) \$30,000 If applicable	3.5 (b) \$65,000 If applicable	3.5 (b) \$190,000	3.5 (b) \$300,000	3.5 (b) \$500,000
c. Strategic development and long-term planning for preservation of value	3.5 (c) \$25,000 If applicable	3.5 (c) \$45,000 If applicable	3.5 (c) \$100,000	3.5 (c) \$150,000	3.5 (c) \$250,000
d. Identification, marketing, negotiation and sale of government property and ROW	3.5 (d) Basic procurement: \$60-75K	3.5 (d) Basic procurement: \$125K	3.5 (d) Basic procurement: \$200K Complex Procurement (e.g. P3): \$500K	3.5 (d) Identify optimal procurement process: \$150K Execute Complex procurement (e.g. P3): \$2M	3.5 (d) Identify optimal procurement process: \$250K Execute Complex procurement (e.g. P3): \$2M-\$5M
e. Development of comprehensive planning and zoning schemes	3.5 (e) \$50,000 If applicable	3.5 (e) \$125,000 If applicable	3.5 (e) \$200,000-400,000	3.5 (e) \$700,000	3.5 (e) \$1M+
f. Facilitation of FirstNet	Same as a- b- c- d- e above	Same as a- b- c- d- e above	Same as a- b- c- d- e above	Same as a- b- c- d- e above	Same as a- b- c- d- e above

Note: significant economies of scale may apply if multiple services are contracted at the same time.

9) *Please quantify the discount range presented in this response. For example, indicate that the pricing in your response represents is a 50% percent discount from the MSRP or your published list.*

Our full tiered pricing approach is described in Question 8, Form P and builds in several discounts for the benefits of Sourcewell Members:

1. Rate discount

Our prime contractor hourly pricing represents a 60% discount over our standard rates. Such hourly pricing is available to all customers, regardless of size.

2. "Availability discount"

This pricing structure benefits the smallest Sourcewell Members. Typically, firms like ours find it difficult to provide individual services to customers who engage for efforts below hundreds of thousands of dollars. With our approach for the tier 1 and tier 2 Sourcewell Members, we are able not only to provide best in class services to such members, but to do it with:

- ▶ The same discount as the larger customers
- ▶ An approach which is cost effective for them in terms of total dollar cost to the member and commensurate with the potential value to be captured.

3. Economies of scope

On a “per unit” analyzed, the larger projects benefit from significant economies. Per cell site access point analyzed, fees go down from several thousand dollars for a client with just one cell, to possibly less than \$100 per access point in tier 5, with logarithmic decline throughout.

For this reason, we encourage the smallest members to team up. This will also allow them to realize better value for their pooled assets in the market.