

EXHIBIT 2

**DERIVATION OF COST PROPOSAL
ORCHARD, HILTZ & McCLIMENT, INC.
PRELIMINARY ENGINEERING SERVICES**

PROJECT DESCRIPTION:

Hillview S.A.D., E98-004

CLIENT:

CITY OF ROCHESTER HILLS

DIRECT LABOR:

Classification	Person Hours	X	Hourly Rate	=	Labor Cost
Principal	8		\$59.00	\$	472.00
Sr. Associate	10		\$36.00	\$	360.00
Associate	15		\$34.00	\$	510.00
Professional Engineer III	55		\$33.00	\$	1,815.00
Professional Engineer I	82		\$24.00	\$	1,968.00
Graduate Engineer II	170		\$23.50	\$	3,995.00
Surveyor III	4		\$25.50	\$	102.00
Surveyor II	31		\$21.50	\$	666.50
Surveyor I	29		\$18.00	\$	522.00
Surveyor Aide	29		\$12.00	\$	348.00
Computer Technician III	110		\$22.00	\$	2,420.00
Clerical Aide	5		\$12.00	\$	60.00
Word Processor	5		\$16.50	\$	82.50
	<u>553</u>				
	Total Hours		553		
			Total Labor	\$	13,321.00

OVERHEAD:

\$	13,321.00	x	168	%	=	Overhead	\$	22,379.28
	Subtotal				=		\$	35,700.28

DIRECT EXPENSES:

						\$	0.00
			Total Direct Expenses			\$	0.00

FIXED FEE:

\$	35,700.28	x	15	%	=	Total Fixed Fee	\$	5,355.04
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NOT TO EXCEED AMOUNT

\$ 41,055.32