



August 22, 2024

Ruyue 'Eleven' Ding, Senior Buyer
Collin County Purchasing
2300 Bloomdale Road, Suite 3160
McKinney, TX 75071

**Re: Collin County Contract Renewal 2023-239
Geotechnical Engineering and Materials Services
Fee Revision Request for 2024-2025 Service Year**

Dear Ms. Ding:

Terracon Consultants, Inc. (Terracon) has provided geotechnical engineering and materials testing services for the County since October of 2023 under the Agreement No. 2023-239. As a valued client of Terracon, we appreciate the trust you have placed in our services over the year. We have always strived to provide high-quality work and maintain a strong client relationship. However, due to recent inflation trends and rising costs, we find it necessary to adjust our service fees for the coming contract renewal for the 2024-2025 service year. We believe that this adjustment is essential to continue delivering exceptional service and sustain our commitment to excellence.

Over the past 2 years, inflation rates have steadily increased in the DFW area by an average of approximately 5%, and economists predict that inflation will continue to impact businesses in the coming years. Our operating costs, including salaries, office expenses, and technology investments, have also risen. To maintain the same level of service quality, we need to adjust our fees accordingly. By revising our fees now, we aim to proactively address this challenge and ensure our long-term sustainability.

Based on our analysis, we propose a 3% increase in our service fees, effective at the date of the renewal for 2024-2025 (see attached revised fee schedule). This adjustment will allow us to maintain the quality of service you expect while covering our rising costs. We understand that any change in pricing can be challenging, especially for long-standing clients like you. However, we believe that this adjustment is necessary to sustain our partnership and continue providing exceptional value.

Please feel free to reach out if you have any questions or concerns. We value your feedback and are committed to ensuring a smooth transition. Thank you for your understanding and continued trust in Terracon. We look forward to serving you in the future.

Sincerely,

Terracon Consultants, Inc.
Texas Registration No. F-3272

Christopher D. Lehman, P.E.
Senior Project Manager

Pete Falletta, P.E.
Senior Principal

Dallas
8901 John W. Carpenter Freeway #100
Dallas, TX 75247
(214) 630-1010

Fort Worth
1801 Handley Ederville Road
Fort Worth, TX 76118
(817) 268-8600

Frisco
5908 Stone Creek Drive #120
Lewisville, TX 75056
(469) 347-6000