UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended March 28, 2020

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from __________ to

Commission File Number 001-35849

NV5 Global, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**45-3458017**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
200 South Park Road, Suite 350 **Hollywood, Florida**	**33021**
(Address of principal executive offices)	(Zip Code)

(954) 495-2112
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value	**NVEE**	**The NASDAQ Stock Market**

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated Filer	☐	Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐						

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 4, 2020, there were 12,874,424 shares outstanding of the registrant's common stock, $0.01 par value.

NV5 GLOBAL, INC.
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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

NV5 Global, Inc. and Subsidiaries
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
(in thousands, except share data)

	March 28, 2020	December 28, 2019
Assets		
Current assets:		
Cash and cash equivalents	$ 38,326	$ 31,825
Billed receivables, net	125,192	131,041
Unbilled receivables, net	86,713	79,428
Prepaid expenses and other current assets	8,220	8,906
Total current assets	258,451	251,200
Property and equipment, net	27,759	25,733
Right-of-use lease assets, net	43,950	46,313
Intangible assets, net	247,614	255,961
Goodwill	310,206	309,216
Other assets	3,438	4,714
Total assets	$ 891,418	$ 893,137
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 36,176	$ 36,116
Accrued liabilities	41,087	47,432
Income taxes payable	1,365	—
Billings in excess of costs and estimated earnings on uncompleted contracts	4,507	3,303
Client deposits	229	221
Current portion of contingent consideration	1,079	1,954
Current portion of notes payable and other obligations	24,946	25,332
Total current liabilities	109,389	114,358
Contingent consideration, less current portion	1,995	2,048
Long-term lease liabilities	32,624	34,573
Notes payable and other obligations, less current portion	331,317	332,854
Deferred income tax liabilities, net	51,727	53,341
Total liabilities	527,052	537,174
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.01 par value; 5,000,000 shares authorized, no shares issued and outstanding	—	—
Common stock, $0.01 par value; 45,000,000 shares authorized, 12,874,424 and 12,852,357 shares issued and outstanding as of March 28, 2020 and December 28, 2019, respectively	129	129
Additional paid-in capital	255,402	251,187
Retained earnings	108,835	104,647
Total stockholders' equity	364,366	355,963
Total liabilities and stockholders' equity	$ 891,418	$ 893,137

See accompanying notes to consolidated financial statements (unaudited).

NV5 Global, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF NET INCOME AND COMPREHENSIVE INCOME
(UNAUDITED)
(in thousands, except share data)

	Three Months Ended	
	March 28, 2020	**March 30, 2019**
Gross revenues	$ 165,480	$ 117,335
Direct costs *(excluding depreciation and amortization)*:		
Salaries and wages	45,034	35,257
Sub-consultant services	27,427	16,952
Other direct costs	8,487	9,696
Total direct costs	80,948	61,905
Gross Profit	84,532	55,430
Operating Expenses:		
Salaries and wages, payroll taxes and benefits	45,556	29,238
General and administrative	13,157	8,862
Facilities and facilities related	5,397	3,806
Depreciation and amortization	11,040	6,113
Total operating expenses	75,150	48,019
Income from operations	9,382	7,411
Interest expense	(3,788)	(351)
Income before income tax expense	5,594	7,060
Income tax expense	(1,406)	(1,517)
Net Income and Comprehensive Income	$ 4,188	$ 5,543
Earnings per share:		
Basic	$ 0.34	$ 0.46
Diluted	$ 0.33	$ 0.44
Weighted average common shares outstanding:		
Basic	12,233,477	11,960,944
Diluted	12,593,788	12,463,007

See accompanying notes to consolidated financial statements (unaudited).

NV5 Global, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(UNAUDITED)
(in thousands, except share data)

	Common Stock		Additional Paid-In Capital	Retained Earnings	Total
	Shares	**Amount**			
Balance, December 29, 2018	**12,550,711**	**$ 126**	**$ 236,525**	**$ 80,891**	**$ 317,542**
Stock compensation	—	—	1,798	—	1,798
Restricted stock issuance, net	(6,750)	(0.1)	0.1	—	—
Stock issuance for acquisitions	9,969	0.1	563	—	563
Payment of contingent consideration with common stock	11,185	0.1	725	—	725
Net income	—	—	—	5,543	5,543
Balance, March 30, 2019	**12,565,115**	**$ 126**	**$ 239,611**	**$ 86,434**	**$ 326,171**

	Common Stock		Additional Paid-In Capital	Retained Earnings	Total
	Shares	**Amount**			
Balance, December 28, 2019	**12,852,357**	**$ 129**	**$ 251,187**	**$ 104,647**	**$ 355,963**
Stock compensation	—	—	3,379	—	3,379
Restricted stock issuance, net	4,417	—	—	—	—
Stock issuance for acquisitions	12,406	—	558	—	558
Payment of contingent consideration with common stock	5,244	—	278	—	278
Net income	—	—	—	4,188	4,188
Balance, March 28, 2020	**12,874,424**	**$ 129**	**$ 255,402**	**$ 108,835**	**$ 364,366**

See accompanying notes to consolidated financial statements (unaudited).

NV5 Global, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(in thousands)

	Three Months Ended	
	March 28, 2020	**March 30, 2019**
Cash Flows From Operating Activities:		
Net income	$ 4,188	$ 5,543
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	11,040	6,113
Non-cash lease expense	1,704	2,009
Provision for doubtful accounts	215	206
Stock based compensation	3,379	1,798
Change in fair value of contingent consideration	—	49
(Gain) loss on disposals of property and equipment	(339)	1
Deferred income taxes	(1,614)	(463)
Amortization of debt issuance costs	220	—
Changes in operating assets and liabilities, net of impact of acquisitions:		
Billed receivables	6,053	8,995
Unbilled receivables	(7,764)	3,350
Prepaid expenses and other assets	1,962	(1,331)
Accounts payable	44	(3,240)
Accrued liabilities	(8,061)	(4,930)
Income taxes payable	1,365	1,521
Billings in excess of costs and estimated earnings on uncompleted contracts	1,204	(3,370)
Deposits	7	62
Net cash provided by operating activities	13,603	16,313
Cash Flows From Investing Activities:		
Cash paid for acquisitions (net of cash received from acquisitions)	—	(8,000)
Proceeds from sale of assets	425	—
Purchase of property and equipment	(4,525)	(690)
Net cash used in investing activities	(4,100)	(8,690)
Cash Flows From Financing Activities:		
Payments on notes payable	(2,116)	(1,848)
Payments of contingent consideration	(650)	(700)
Payments of debt issuance costs	(236)	—
Net cash used in financing activities	(3,002)	(2,548)
Net increase in Cash and Cash Equivalents	6,501	5,075
Cash and cash equivalents – beginning of period	31,825	40,739
Cash and cash equivalents – end of period	$ 38,326	$ 45,814

See accompanying notes to consolidated financial statements (unaudited).

NV5 Global, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(in thousands)

	Three Months Ended	
	March 28, 2020	**March 30, 2019**
Non-cash investing and financing activities:		
Notes payable and other obligations issued for acquisitions	$ —	$ 4,500
Stock issuance for acquisitions	$ 558	$ 563
Finance leases	$ 408	$ —
Payment of contingent consideration and other obligations with common stock	$ 278	$ 725

See accompanying notes to consolidated financial statements (unaudited).

Note 1 - Organization and Nature of Business Operations

Business

NV5 Global, Inc. and its subsidiaries (collectively, the "Company," "NV5 Global") is a provider of professional and technical engineering and consulting solutions to public and private sector clients in the infrastructure, utility services, construction, real estate, and environmental markets, operating nationwide and abroad. The Company's clients include the U.S. federal, state and local governments, and the private sector. NV5 Global provides a wide range of services, including, but not limited to:

- Infrastructure, engineering and support
- Construction quality assurance, testing and inspection
- Program management
- Utility services
- Environmental
- Planning
- Design
- Consulting
- Geospatial solutions
- Management oversight
- Permitting
- Inspection and field supervision
- Testing inspection and certification
- Forensic engineering
- Litigation support
- Condition assessment
- Compliance certification

Impact of COVID-19 on Our Business

The COVID-19 pandemic has significantly impacted global stock markets and economies and has adversely affected the market price of our common stock. We are closely monitoring the impact of the outbreak of COVID-19 on all aspects of our business, including how it will impact our customers and employees. While COVID-19 did not have a material adverse effect on our reported results for our first quarter, we are unable to predict the ultimate impact that it may have on our business, future results of operations, financial position, or cash flows. The extent to which our operations may be impacted by the COVID-19 pandemic will depend largely on future developments, which are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning the severity of the outbreak and actions by government authorities to contain the outbreak or treat its impact. We intend to continue to monitor the impact of COVID-19 pandemic on our business closely.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The consolidated financial statements of the Company are presented in U.S. dollars in conformity with accounting principles generally accepted in the United States ("U.S. GAAP") and have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC") for reporting of interim financial information. Pursuant to such rules and regulations, certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. The consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

In the opinion of management, the accompanying unaudited interim consolidated financial statements of the Company contain all adjustments necessary to present fairly the financial position and results of operations of the Company as of the dates and for the periods presented. Accordingly, these statements should be read in conjunction with the consolidated financial statements and notes contained in the Company's Annual Report on Form 10-K for the year ended December 28, 2019 (the "2019 Form 10-K"). The results of operations and cash flows for the interim periods presented are not necessarily indicative of the results to be expected for any future interim period or for the full 2020 fiscal year.

Performance Obligations

To determine the proper revenue recognition method, we evaluate whether two or more contracts should be combined and accounted for as one single contract and whether the combined or single contract should be accounted for as more than one performance obligation. The majority of our contracts have a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and therefore, is not distinct.

The Company’s performance obligations are satisfied as work progresses or at a point in time. Revenue on our cost-reimbursable contracts is recognized over time using direct costs incurred or direct costs incurred to date as compared to the estimated total direct costs for performance obligations because it depicts the transfer of control to the customer. Contract costs include labor, subcontractors’ costs and other direct costs.

Gross revenue from services transferred to customers at a point in time is recognized when the customer obtains control of the asset, which is generally upon delivery and acceptance by the customer of the reports and/or analysis performed.

As of March 28, 2020, the Company had $610,368 of remaining performance obligations, of which $498,457 is expected to be recognized over the next 12 months and the majority of the balance over the next 24 months. Contracts for which work authorizations have been received are included in performance obligations. Most of our government contracts are multi-year contracts for which funding is appropriated on an annual basis, therefore performance obligations include only those amounts that have been funded and authorized and does not reflect the full amounts we may receive over the term of such contracts. In the case of non-government contracts and project awards, performance obligations include future revenue at contract or customary rates, excluding contract renewals or extensions that are at the discretion of the client. For contracts with a not-to-exceed maximum amount, we include revenue from such contracts in performance obligations to the extent of the remaining estimated amount.

Contract Balances

The timing of revenue recognition, billings and cash collections results in billed receivables, unbilled receivables (contract assets), and billings in excess of costs and estimated earnings on uncompleted contracts (contract liabilities) on the Consolidated Balance Sheet. The liability “Billings in excess of costs and estimated earnings on uncompleted contracts” represents billings in excess of revenues recognized on these contracts as of the reporting date. This liability is generally classified as current. Revenue recognized that was included in the contract liability balance at the beginning of the fiscal year was $2,767 for the three months ended March 28, 2020.

There have been no material changes, other than those related to the adopted new accounting standards below, in the Company's significant accounting policies described in the audited financial statements included in the Company's Annual Report on Form 10-K for the year ended December 28, 2019.

Recently Adopted Accounting Pronouncements

Goodwill and Intangible Assets

In January 2017, the FASB issued ASU No. 2017-04, *Intangibles-Goodwill and Other (Topic 350) Simplifying the Test for Goodwill Impairment* ("ASU 2017-04"). This ASU eliminates Step 2 of the goodwill impairment test and simplifies how the amount of an impairment loss is determined. The update is effective for public companies in the beginning of fiscal year 2020 and shall be applied on a prospective basis. The Company adopted this ASU at the beginning of fiscal year 2020. The Company has determined there were no changes to its financial statements as a result of the adoption.

Goodwill is the excess of consideration paid for an acquired entity over the amounts assigned to assets acquired, including other identifiable intangible assets and liabilities assumed in a business combination. To determine the amount of goodwill resulting from a business combination, the Company performs an assessment to determine the acquisition date fair value of the acquired company’s tangible and identifiable intangible assets and liabilities.

Goodwill is required to be evaluated for impairment on an annual basis or whenever events or changes in circumstances indicate the asset may be impaired. An entity has the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. These qualitative factors include: macroeconomic and industry conditions, cost factors, overall financial performance and other relevant entity-specific events. If the entity determines that this threshold is met, then the Company may apply a one-step quantitative test and record the amount of goodwill impairment as the excess of a reporting unit's carrying amount over its fair value, not to exceed the total amount of goodwill allocated to the reporting unit. The Company determines fair value through multiple valuation techniques, and weights the results accordingly. NV5 Global is required to make certain subjective and complex judgments in assessing whether an event of impairment of goodwill has occurred, including assumptions and estimates used to determine the fair value of its reporting units. The Company has elected to perform its annual goodwill impairment review on August 1 of each year. The Company conducts its annual impairment tests on the goodwill using the quantitative method of evaluating goodwill.

Identifiable intangible assets primarily include customer backlog, customer relationships, finite and indefinite-lived trade names, non-compete agreements, and developed technology. Amortizable intangible assets are amortized on a straight-line basis over their estimated useful lives and reviewed for impairment whenever events or changes in circumstances indicate that the assets may be impaired. If an indicator of impairment exists, the Company compares the estimated future cash flows of the asset, on an undiscounted basis, to the carrying value of the asset. If the undiscounted cash flows exceed the carrying value, no impairment is indicated. If the undiscounted cash flows do not exceed the carrying value, then impairment, if any, is measured as the difference between fair value and carrying value, with fair value typically based on a discounted cash flow model. There were no indicators, events or changes in circumstances that would indicate intangible assets were impaired during the three months ended March 28, 2020.

On August 1, 2019, the Company conducted its annual impairment tests using the quantitative method of evaluating goodwill. Based on the quantitative analyses the Company determined the fair value of each of the reporting units exceeded its carrying value. Therefore, the goodwill was not impaired and the Company did not recognize an impairment charge relating to goodwill as of August 1, 2019. Furthermore, there were no indicators, events or changes in circumstances that would indicate goodwill was impaired during the period from August 2, 2019 through March 28, 2020.

See Note 7, *Goodwill and Intangible Assets*, for further information on goodwill and identified intangibles.

Financial Instruments

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses (Topic 326)* ("ASU 2016-13"). This ASU introduces a new accounting model, the Current Expected Credit Losses model (CECL), which could result in earlier recognition of credit losses and additional disclosures related to credit risk. The CECL model requires the Company to use a forward-looking expected credit loss impairment methodology for the recognition of credit losses for financial instruments at the time the financial asset is originated or acquired. The expected credit losses are adjusted each period for changes in expected lifetime credit losses. This model replaces the multiple existing impairment models in current GAAP, which generally require that a loss be incurred before it is recognized. The new standard also applies to receivables arising from revenue transactions such as contract assets and accounts receivable and is effective for fiscal years beginning after December 15, 2019. The Company adopted this ASU at the beginning of fiscal year 2020. The standard was applied prospectively and did not materially impact the consolidated financial statements.

Note 3 – Earnings per Share

Basic earnings per share is calculated by dividing net income by the weighted average number of common shares outstanding during the period. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in the earnings of the Company. The effect of potentially dilutive securities is not considered during periods of loss or if the effect is anti-dilutive.

The weighted average number of shares outstanding in calculating basic earnings per share for the three months ended March 28, 2020 and March 30, 2019 exclude 637,186 and 594,326 non-vested restricted shares, respectively. During the three months ended March 28, 2020, there were 164,221 weighted average securities which are not included in the calculation of diluted weighted average shares outstanding because their impact is anti-dilutive. There were no potentially anti-dilutive securities during the three months ended March 30, 2019.

(in thousands, except share data)

The following table represents a reconciliation of the net income and weighted average shares outstanding for the calculation of basic and diluted earnings per share:

	Three Months Ended	
	March 28, 2020	**March 30, 2019**
Numerator:		
Net income – basic and diluted	$ 4,188	$ 5,543
Denominator:		
Basic weighted average shares outstanding	12,233,477	11,960,944
Effect of dilutive non-vested restricted shares and units	297,999	407,724
Effect of issuable shares related to acquisitions	62,312	94,339
Diluted weighted average shares outstanding	12,593,788	12,463,007

Note 4 – Business Acquisitions

2019 Acquisitions

On December 20, 2019 (the "Closing Date"), the Company acquired all of the outstanding equity interests in Geospatial Holdings, Inc. and its subsidiaries, including Quantum Spatial, Inc. (collectively "QSI"), a full-service geospatial solutions provider serving the North American market. QSI provides data solutions to public and private sector clients that need geospatial intelligence to mitigate risk, plan for growth, better manage resources, and advance scientific understanding. NV5 Global acquired QSI in an all-cash transaction for $318,428, which includes estimated excess working capital of $8,781 and estimated closing date cash of approximately $6,677. The purchase price and other related costs associated with the transaction were financed through the Company's amended and restated credit agreement (the "A&R Credit Agreement") with Bank of America, N.A. and the other lenders party thereto. Pursuant to the A&R Credit Agreement, the lenders provided term commitments of $150,000 in the aggregate in a single draw on the Closing Date and revolving commitments totaling $215,000. See Note 9, *Notes Payable and Other Obligations*, for further detail on the A&R Credit Agreement. In order to determine the fair values of tangible and intangible assets required and liabilities assumed for QSI, the Company engaged a third-party independent valuation specialist to assist in the determination of fair values. The final determination of the fair value of certain assets and liabilities will be completed within the one-year measurement period as required by ASC Topic 805, *Business Combinations* ("ASC 805"). The QSI acquisition will necessitate the use of this measurement period to adequately analyze and assess a number of the factors used in establishing the asset and liability fair values as of the acquisition date, including intangible assets, accounts receivable, and certain fixed assets.

On November 8, 2019, the Company acquired from GHD Services, Inc. ("GHD") its assets related to the business for forensics and insurance. The GHD forensics and insurance business provides engineering and environmental claim services for insurance companies, law firms, and litigation support. The Company acquired GHD for a cash purchase price up to $8,300. In order to determine the fair values of tangible and intangible assets required and liabilities assumed for GHD, the Company engaged a third-party independent valuation specialist to assist in the determination of fair values. The final determination of the fair value of certain assets and liabilities will be completed within the one-year measurement period as required by ASC 805. The GHD acquisition will necessitate the use of this measurement period to adequately analyze and assess a number of the factors used in establishing the asset and liability fair values as of the acquisition date, including accounts receivable.

On July 2, 2019, the Company acquired all of the outstanding equity interests in WHPacific, Inc. (“WHPacific”), a provider of design engineering and surveying services serving Washington, Oregon, Idaho, New Mexico, Arizona and California for a cash purchase price of $9,000. In order to determine the fair values of tangible and intangible assets acquired and liabilities assumed for WHPacific, the Company engaged a third-party independent valuation specialist to assist in the determination of fair values.

On July 1, 2019, the Company acquired all of the outstanding equity interests in GeoDesign, Inc. ("GeoDesign"), a geotechnical, environmental, geological, mining and pavement engineering company serving Washington, Oregon, and California. The aggregate purchase price was $11,245, including $8,247 of cash, $2,000 in promissory note (bearing interest at 4.0%), payable in four equal installments of $500 due on the first, second, third, and fourth anniversaries of July 1, 2019, and $375 of the Company's common stock (4,731 shares) issued at the closing date. The purchase price also includes $425 of the Company's common stock payable on the first and second anniversaries of July 1, 2019. Further, the purchase price includes a $1,500 earn-out of cash, which was recorded at the estimated fair value of $198. In order to determine the fair values of tangible and intangible assets acquired and liabilities assumed for GeoDesign, the Company engaged a third-party independent valuation specialist to assist in the determination of fair values.

On June 3, 2019, the Company acquired all of the outstanding equity interests in Alta Environmental, L.P. ("Alta"), a consulting firm specializing in air quality, environmental building sciences, water resources, site assessment and remediation as well as environmental health and safety compliance services. The aggregate purchase price was $6,323, including $4,000 of cash and $2,000 in promissory note (bearing interest at 4.0%), payable in 4 equal installments of $500 due on the first, second, third, and fourth anniversaries of June 3, 2019. Further, the purchase price includes a $500 earn-out of cash, which was recorded at an estimated fair value of $323. In order to determine the fair values of tangible and intangible assets acquired and liabilities assumed for Alta, the Company engaged a third-party independent valuation specialist to assist in the determination of fair values.

On June 3, 2019, the Company acquired all of the outstanding equity interests in Page One Consultants ("Page One"), a program management and construction quality assurance firm based in Orlando, Florida. The aggregate purchase price was $3,995, including $2,293 of cash, $1,000 in promissory note (bearing interest at 3.0%), payable in three equal installments of $333 due on the first, second, and third anniversaries of June 3, 2019, and $200 of the Company's common stock (2,647 shares) issued at the closing date. The purchase price also includes $200 of the Company's common stock payable on the first anniversary date of June 3, 2019. Further, the purchase price includes a $500 earn-out of cash and stock, which was recorded at an estimated fair value of $302. In order to determine the fair values of tangible and intangible assets acquired and liabilities assumed for Page One, the Company engaged a third-party independent valuation specialist to assist in the determination of fair values.

On March 22, 2019, the Company acquired all of the outstanding equity interests in the Sextant Group, Inc. ("The Sextant Group"), a national leading provider of audiovisual, information and communications technology, acoustics consulting, and design services headquartered in Pittsburgh, PA. The Sextant Group provides services throughout the U.S. and is well-known for creating integrated technology solutions for a wide range of public and private sector clients. The aggregate purchase price was $10,501, including $6,501 of cash and $4,000 in promissory note (bearing interest at 4.0%), payable in 4 equal installments of $1,000 due on the first, second, third, and fourth anniversaries of March 22, 2019. In order to determine the fair values of tangible and intangible assets acquired and liabilities assumed for The Sextant Group, the Company engaged a third-party independent valuation specialist to assist in the determination of fair values.

On December 31, 2018, the Company acquired certain assets of Celtic Energy, Inc. ("Celtic"), a nationally recognized energy efficiency consulting firm that specialized in energy efficiency project management and oversight. The aggregate purchase price was $1,881, including $1,000 in cash, $300 in promissory note (bearing interest at 3.0%), payable in three equal installments of $100 on the first, second, and third anniversaries of December 31, 2018, and $200 of the Company's common stock (3,227 shares) issued at the closing date. The purchase price also includes $200 of the Company's common stock payable on the first anniversary December 31, 2018. Further, the purchase price includes a $200 earn-out of cash, which was recorded at an estimated fair value of $181. In order to determine the fair values of tangible and intangible assets acquired and liabilities assumed for Celtic, the Company performed a purchase price allocation.

The following table summarizes the fair values of the assets acquired and liabilities assumed as of the acquisition date for the acquisitions closed during 2019:

	2019		
	QSI	Other	Total
Cash	$ 6,894	$ 75	$ 6,969
Billed and unbilled receivables, net	42,523	20,723	63,246
Right-of-use assets	6,131	—	6,131
Property and equipment	13,499	2,163	15,662
Prepaid expenses	2,612	997	3,609
Other assets	1,317	1,048	2,365
Intangible assets:			
Customer relationships	64,709	10,423	75,132
Trade name	58,546	1,365	59,911
Customer backlog	6,835	1,363	8,198
Developed technology	32,944	—	32,944
Other	—	814	814
Total Assets	$ 236,010	$ 38,971	$ 274,981
Liabilities	(23,698)	(8,343)	(32,041)
Deferred tax liabilities	(39,372)	(3,779)	(43,151)
Net assets acquired	$ 172,940	$ 26,849	$ 199,789
Consideration paid (Cash, Notes and/or stock)	$ 318,428	$ 50,447	$ 368,875
Contingent earn-out liability (Cash and stock)	—	1,004	1,004
Total Consideration	$ 318,428	$ 51,451	$ 369,879
Excess consideration over the amounts assigned to the net assets acquired (Goodwill)	$ 145,488	$ 24,602	$ 170,090

Goodwill was recorded based on the amount by which the purchase price exceeded the fair value of the net assets acquired and the amount is attributable to the reputation of the business acquired, the workforce in place and the synergies to be achieved from these acquisitions. See Note 7, *Goodwill and Intangible Assets*, for further information on goodwill and identified intangibles.

The consolidated financial statements of the Company for the three months ended March 30, 2019 include the results of operations from any business acquired from their respective dates of acquisition during each of the respective period as follows:

	Three Months Ended
	March 30, 2019
Gross revenues	$ 766
Income before income taxes	$ 48

The following table presents the unaudited, pro forma consolidated results of operations (in thousands, except per share amounts) for the three months March 30, 2019 as if the acquisitions of The Sextant Group, Page One, Alta, WHPacific, GeoDesign, GHD, and QSI had occurred at the beginning of fiscal year 2019. The pro forma information provided below is compiled from the pre-acquisition financial information of The Sextant Group, Page One, Alta, WHPacific, GeoDesign, GHD, and QSI and includes pro forma adjustments for amortization expense, adjustments to certain expenses, and the income tax impact of these adjustments. The pro forma results are not necessarily indicative of (i) the results of operations that would have occurred had the operations of these acquisitions actually been acquired at the beginning of fiscal year 2019 or (ii) future results of operations:

(in thousands, except share data)

	Three Months Ended March 30, 2019
Gross revenues	$ 165,406
Net income	$ 3,748
Basic earnings per share	$ 0.31
Diluted earnings per share	$ 0.30

Note 5 – Billed and Unbilled Receivables

Billed and Unbilled Receivables consists of the following:

	March 28, 2020	December 28, 2019
Billed receivables	$ 129,079	$ 134,900
Less: allowance for doubtful accounts	(3,887)	(3,860)
Billed receivables, net	$ 125,192	$ 131,041
Unbilled receivables	$ 87,982	$ 80,639
Less: allowance for doubtful accounts	(1,269)	(1,211)
Unbilled receivables, net	$ 86,713	$ 79,428

Note 6 – Property and Equipment, net

Property and equipment, net, consists of the following:

	March 28, 2020	December 28, 2019
Office furniture and equipment	$ 4,497	$ 4,198
Computer equipment	10,522	10,704
Survey and field equipment	27,586	24,165
Leasehold improvements	6,717	6,266
Total	49,322	45,333
Less: accumulated depreciation	(21,563)	(19,600)
Property and equipment, net	$ 27,759	$ 25,733

Depreciation expense was $2,701 and $1,113 for the three months ended March 28, 2020 and March 30, 2019, respectively.

(in thousands, except share data)

Note 7 – Goodwill and Intangible Assets

Goodwill

As discussed in Note 14, *Reportable Segments*, the Company's chief operating decision maker ("CODM"), re-evaluated the structure of the Company's internal organization as a result of the 2019 acquisition of QSI, which resulted in certain changes to the Company's operating and reportable segments. Effective the beginning of fiscal year 2020, the goodwill of QSI was reallocated from the Company's INF reportable segment to the Company's new GEO reportable segment. The changes in the carrying value by reportable segment for the three months ended March 28, 2020 were as follows:

	Three Months Ended		
	December 28, 2019	Adjustments	March 28, 2020
INF	$ 231,255	$ (144,917)	$ 86,338
BTS	77,961	419	78,380
GEO	—	145,488	145,488
Total	$ 309,216	$ 990	$ 310,206

Goodwill of approximately $1,185 from acquisitions during the three months ended March 30, 2019 is expected to be deductible for income tax purposes. During the three months ended March 28, 2020, the Company recorded purchase price allocation adjustments of $420, $128, and $18 for the acquisitions of The Sextant Group, QSI, and WHP, respectively, and a working capital adjustment of $424 for QSI which was recorded as an increase to goodwill and the purchase price paid for the acquisition.

Intangible Assets

Intangible assets, net, as of March 28, 2020 and December 28, 2019 consist of the following:

	March 28, 2020			December 28, 2019		
	Gross Carrying Amount	Accumulated Amortization	Net Amount	Gross Carrying Amount	Accumulated Amortization	Net Amount
Finite-lived intangible assets:						
Customer relationships[1]	$ 176,088	$ (33,377)	$ 142,711	$ 176,088	$ (29,198)	$ 146,890
Trade name[2]	10,253	(9,033)	1,220	10,253	(8,593)	1,660
Customer backlog[3]	24,198	(14,469)	9,729	24,198	(12,435)	11,763
Non-compete[4]	9,369	(5,615)	3,754	9,369	(5,105)	4,264
Developed technology[5]	32,944	(1,290)	31,654	32,944	$ (106)	$ 32,838
Total finite-lived intangible assets	252,851	(63,784)	189,068	252,851	(55,436)	197,415
Indefinite-lived intangible assets:						
QSI trade name	58,546	—	58,546	58,546	—	58,546
Total indefinite-lived intangible assets	58,546	—	58,546	58,546	—	58,546
Total intangible assets	$ 311,397	$ (63,784)	$ 247,614	$ 311,397	$ (55,436)	$ 255,961

(1) Amortized on a straight-line basis over estimated lives (1 to 12 years)
(2) Amortized on a straight-line basis over their estimated lives (1 to 3 years)
(3) Amortized on a straight-line basis over their estimated lives (1 to 5 years)
(4) Amortized on a straight-line basis over their contractual lives (2 to 5 years)
(5) Amortized on a straight-line basis over their estimated lives (5 to 7 years)

(in thousands, except share data)

Amortization expense was $8,339 and $5,000 for the three months ended March 28, 2020 and March 30, 2019, respectively.

Note 8 – Accrued Liabilities

Accrued liabilities consist of the following:

	March 28, 2020	December 28, 2019
Current portion of lease liability	$ 12,751	$ 13,108
Accrued vacation	10,855	10,048
Payroll and related taxes	6,068	12,146
Benefits	1,805	4,637
Unrecognized tax benefits	887	887
Professional liability reserve	1,080	1,083
Other	7,641	5,523
Total	$ 41,087	$ 47,432

Note 9 – Notes Payable and Other Obligations

Notes payable and other obligations consists of the following:

	March 28, 2020	December 28, 2019
Senior credit facility	$ 320,457	$ 320,457
Uncollateralized promissory notes	34,785	36,217
Finance leases	2,800	2,707
Other obligations	2,316	2,884
Debt issuance costs, net of amortization	(4,095)	(4,078)
Total notes payable and other obligations	356,263	358,187
Current portion of notes payable and other obligations	(24,946)	(25,332)
Notes payable and other obligations, less current portion	$ 331,317	$ 332,854

As of March 28, 2020 and December 28, 2019, the carrying amount of debt obligations approximates their fair values based on Level 2 inputs as the terms are comparable to terms currently offered by local lending institutions for arrangements with similar terms to industry peers with comparable credit characteristics.

Senior Credit Facility

On December 20, 2019 (the "Closing Date"), the Company amended and restated its Credit Agreement (the "A&R Credit Agreement"), dated December 7, 2016, as amended on December 20, 2018, with Bank of America, N.A. ("Bank of America"), as administrative agent, swingline lender and letter of credit issuer, the other lenders party thereto, and certain of the Company's subsidiaries as guarantors. Pursuant to the A&R Credit Agreement, the lenders provided term commitments of $150.0 million in the aggregate in a single draw on the Closing Date to fund the acquisition of QSI and various costs and expenses relating thereto and revolving commitments totaling $215.0 million in the aggregate. The revolving commitment is available through December 20, 2024 (the "Maturity Date"), at which time the term commitments and revolving commitments will be due and payable in full. An aggregate amount of $320.5 million was drawn under the A&R Credit Agreement on the Closing Date to fund the QSI acquisition and repay previously existing borrowings. The Senior Credit Facility is secured by a first priority lien on substantially all of the assets of the Company. The A&R Credit Agreement also includes an accordion feature permitting the Company to request an increase in either the term facility or the revolver facility under the A&R Credit Agreement by an additional amount of up to $100.0 million in the aggregate.

Borrowings under the term facility amortize at the rate of 5.0% per annum for the first two years of the facility and thereafter at the rate of 7.5% per annum until the Maturity Date.

(in thousands, except share data)

Borrowings under the A&R Credit Agreement bear interest at variable rates described below, which are, at the Company's option, tied to a Eurocurrency rate equal to LIBOR (London Interbank Offered Rate) plus an applicable margin or a base rate denominated in U.S. dollars. Interest rates are subject to change based on the Company's consolidated leverage ratio. The consolidated leverage ratio is the ratio of our pro forma consolidated funded indebtedness to the Company's pro forma consolidated EBITDA for the most recently completed measurement period.

The A&R Credit Agreement contains covenants that may have the effect of limiting the ability of the Company and its subsidiaries to, among other things, merge with or acquire other entities, enter into a transaction resulting in a Change in Control, create certain new liens, incur certain additional indebtedness, engage in certain transactions with affiliates, or engage in new lines of business or sell a substantial part of their assets. The A&R Credit Agreement also contains financial covenants that requires the Company to maintain a consolidated fixed charge coverage ratio of no less than 1.20 to 1.00 as of the end of any measurement period. In addition, prior to the Amendment Closing Date referred to below, the Company was required to maintain a consolidated leverage ratio as described below:

Measurement Period Ending	Maximum Consolidated Leverage Ratio
Closing Date through June 30, 2020	4.25 to 1.00
July 1, 2020 through September 30, 2020	4.00 to 1.00
October 1, 2020 through December 31, 2020	3.75 to 1.00
January 1, 2021 and thereafter	3.50 to 1.00

As of March 28, 2020, the Company was in compliance with the financial covenants.

The A&R Credit Agreement also contains customary events of default, including (but not limited to) a default in the payment of principal or, following an applicable grace period, interest, breaches of the Company's covenants or warranties under the A&R Credit Agreement, payment default or acceleration of certain indebtedness of the Company or any subsidiary, certain events of bankruptcy, insolvency or liquidation involving the Company or any subsidiaries, certain judgments or uninsured losses, changes in control and certain liabilities related to ERISA based plans.

The A&R Credit Agreement limits the payment of cash dividends (together with certain other payments that would constitute a "Restricted Payment" within the meaning of the A&R Credit Agreement and generally including dividends, stock repurchases and certain other payments in respect to warrants, options, and other rights to acquire equity securities) to no more than $10,000 in any fiscal year, so long as no default shall exist at the time of or arise as a result from such payment.

Total debt issuance costs incurred and capitalized in connection with the issuance of the A&R Credit Agreement were $3,912. Total amortization of debt issuance costs was $220 during the three months ended March 28, 2020.

On May 5, 2020 (the "Amendment Closing Date"), in response to the COVID-19 pandemic, the Company entered into an amendment to the A&R Credit Agreement (the "Amended A&R Credit Agreement"). The amended consolidated leverage ratio requirements are as follows:

Measurement Period Ending	Maximum Consolidated Leverage Ratio
Amendment Closing Date through June 27, 2020	4.50 to 1.00
June 28, 2020 through October 3, 2020	5.00 to 1.00
October 4, 2020 through January 2, 2021	5.25 to 1.00
January 3, 2021 and April 3, 2021	4.75 to 1.00
April 4, 2021 and July 3, 2021	4.00 to 1.00
July 4, 2021 and thereafter	3.50 to 1.00

The Amended A&R Credit Agreement also amended pricing terms which remain variable and tied to a Eurocurrency rate equal to LIBOR plus an applicable margin or a base rate denominated in U.S. dollars. Interest rates remain subject to change based on the Company's consolidated leverage ratio.

Other Obligations

On July 1, 2019, the Company acquired GeoDesign. The purchase price allowed for the payment of $425 in shares of the Company's stock or a combination of cash and shares of the Company's stock, at its discretion, payable on the first and second anniversary of July 1, 2019. At March 28, 2020 and December 28, 2019, the outstanding balance of this obligation was $382.

On June 3, 2019, the Company acquired Page One. The purchase price allowed for the payment of $200 in shares of the Company's stock or a combination of cash and shares of the Company's stock, at its discretion, payable on the first anniversary of June 3, 2019. At March 28, 2020 and December 28, 2019, the outstanding balance of this obligation was $181.

On December 31, 2018, the Company acquired certain assets of Celtic. The purchase price allowed for the payment of $200 in shares of the company's stock or a combination of cash and shares of the Company's stock, at its discretion, payable on the first anniversary of December 31, 2018. There was no outstanding balance on this obligation as of March 28, 2020. At December 28, 2019, the outstanding balance of this obligation was $181.

On November 2, 2018, the Company acquired CHI. The purchase price allowed for the payment of $3,000 in shares of the Company’s stock or a combination of cash and shares of the Company’s stock, at its discretion, payable in three equal annual installments. At March 28, 2020 and December 28, 2019, the outstanding balance of this obligation was $1,754.

On February 2, 2018, the Company acquired CSA. The purchase price allowed for the payment of $250 in shares of the Company’s stock or a combination of cash and shares of the Company’s stock, at its discretion, payable in two equal annual installments. There was no outstanding balance on this obligation as of March 28, 2020. At December 28, 2019, the outstanding balance of this obligation $111.

On January 12, 2018, the Company acquired all of the outstanding equity interest in Butsko. The purchase price allowed for the payment of $600 in shares of the Company’s stock or a combination of cash and shares of the Company’s stock, at its discretion, payable in two equal annual installments. There was no outstanding balance on this obligation as of March 28, 2020. At December 28, 2019, the outstanding balance of this obligation was $267.

Uncollateralized Promissory Notes

On July 1, 2019, the Company acquired GeoDesign. The purchase price included an uncollateralized $2,000 promissory note bearing interest at 4.0% ("GeoDesign Note") and payable in four equal annual installments. The outstanding balance of the GeoDesign Note was $2,000 as of March 28, 2020 and December 28, 2019.

On June 3, 2019, the Company acquired Alta. The purchase price included an uncollateralized $2,000 promissory note bearing interest at 4.0% ("Alta Note") and payable in four equal annual installments. The outstanding balance of the Alta Note was $2,000 as of March 28, 2020 and December 28, 2019.

On June 3, 2019, the Company acquired Page One. The purchase price included an uncollateralized $1,000 promissory note bearing interest at 3.0% ("Page One Note") and payable in three equal annual installments. The outstanding balance of the Page One Note was $1,000 as of March 28, 2020 and December 28, 2019.

On March 22, 2019, the Company acquired The Sextant Group. The purchase price included an uncollateralized $4,000 promissory note bearing interest at 4.0% ("The Sextant Group Note") and payable in four equal annual installments. The outstanding balance of The Sextant Group Note was $3,000 and $3,140 as of March 28, 2020 and December 28, 2019, respectively.

On December 31, 2018, the Company acquired certain assets of Celtic. The purchase price included an uncollateralized $300 promissory note bearing interest at 3.0% (the "Celtic Note") payable in three equal annual installments. The outstanding balance of the Celtic Note was $200 and $300 as of March 28, 2020 and December 28, 2019, respectively.

On November 2, 2018, the Company acquired CHI. The purchase price included an uncollateralized $15,000 promissory note bearing interest at 3.0% (the "CHI Note") payable in four equal annual installments. The outstanding balance of the CHI Note was $11,250 as of March 28, 2020 and December 28, 2019.

On August 24, 2018, the Company acquired CALYX. The purchase price included an uncollateralized $4,000 promissory note bearing interest at 3.75% payable in four equal annual installments of $1,000. The outstanding balance of the CALYX Note was $3,000 as of March 28, 2020 and December 28, 2019.

On February 2, 2018, the Company acquired CSA. The purchase price included an uncollateralized $600 promissory note bearing interest at 3.0% (the "CSA Note") payable in four equal annual installments of $150. The outstanding balance of the CSA Note was $300 and $450 as of March 28, 2020 and December 28, 2019, respectively.

On January 12, 2018, the Company acquired all of the outstanding equity interest in Butsko. The purchase price included an uncollateralized $1,000 promissory note bearing interest at 3.0% (the "Butsko Note") payable in four equal annual installments of $250. The outstanding balance of the Butsko Note was $500 and $750 as of March 28, 2020 and December 28, 2019, respectively

On September 6, 2017, the Company acquired all of the outstanding interests in Marron. The purchase price included an uncollateralized $300 promissory note bearing interest at 3.0% (the "Marron Note") payable in three equal annual installments of $100. The outstanding balance of the Marron Note was $100 and March 28, 2020 and December 28, 2019, respectively.

On June 6, 2017, the Company acquired all of the outstanding equity interest in RDK. The purchase price included an uncollateralized $5,500 promissory note bearing interest at 3.0% (the "RDK Note") payable in four equal annual installments of $1,375. The outstanding balance of the RDK Note was $2,750 as of March 28, 2020 and December 28, 2019.

On May 4, 2017, the Company acquired all of the outstanding equity interest in H&K. The purchase price included an uncollateralized $600 promissory note bearing interest at 3.0% (the "H&K Note") payable in four equal annual installments of $150. The outstanding balance of the H&K Note was $300 as of March 28, 2020 and December 28, 2019.

On May 1, 2017, the Company acquired all of the outstanding equity interest in Lochrane. The purchase price included an uncollateralized $1,650 promissory note bearing interest at 3.0% (the "Lochrane Note") payable in four equal annual installments of $413. The outstanding balance of the Lochrane Note was $825 as of March 28, 2020 and December 28, 2019.

On December 6, 2016, the Company acquired all of the outstanding interests of CivilSource. The purchase price included an uncollateralized $3,500 promissory note bearing interest at 3.0% (the "CivilSource Note") payable in four equal annual installments of $875. The outstanding balance of the CivilSource Note was $875 and $1,502 as of March 28, 2020 and December 28, 2019, respectively.

On November 30, 2016, the Company acquired all of the outstanding interests of Hanna. The purchase price included an uncollateralized $2,700 promissory note bearing interest at 3.0% (the "Hanna Note") payable in four equal annual installments of $675. The outstanding balance of the Hanna Note was $675 as of March 28, 2020 and December 28, 2019.

On October 26, 2016, the Company acquired all of the outstanding interests of JBA. The purchase price included an uncollateralized $7,000 promissory note bearing interest at 3.0% (the "JBA Note") payable in five equal annual installments of $1,400. The outstanding balance of the JBA Note was $4,163 as of March 28, 2020 and December 28, 2019.

On September 12, 2016, the Company acquired certain assets of Weir. The purchase price included an uncollateralized $500 promissory note bearing interest at 3.0% (the "Weir Note") payable in four equal annual installments of $125. The outstanding balance of the Weir Note was $125 as of March 28, 2020 and December 28, 2019.

On May 20, 2016, the Company acquired all of the outstanding equity interests of Dade Moeller. The purchase price included an aggregate of $6,000 of uncollateralized promissory notes bearing interest at 3.0% (the "Dade Moeller Notes") payable in four equal annual installments of $1,500. The outstanding balance of the Dade Moeller Notes was $1,497 as of March 28, 2020 and December 28, 2019.

(in thousands, except share data)

Note 10 – Contingent Consideration

The following table summarizes the changes in the carrying value of estimated contingent consideration:

	March 28, 2020	December 28, 2019
Contingent consideration, beginning of the year	$ 4,002	$ 4,698
Additions for acquisitions	—	1,316
Reduction of liability for payments made	(928)	(1,938)
Increase (decrease) of liability related to re-measurement of fair value	—	(74)
Total contingent consideration, end of the period	3,074	4,002
Current portion of contingent consideration	(1,079)	(1,954)
Contingent consideration, less current portion	$ 1,995	$ 2,048

Note 11 – Commitments and Contingencies

Litigation, Claims and Assessments

The Company is subject to certain claims and lawsuits typically filed against the engineering, consulting and construction profession, alleging primarily professional errors or omissions. The Company carries professional liability insurance, subject to certain deductibles and policy limits, against such claims. However, in some actions, parties are seeking damages that exceed our insurance coverage or for which we are not insured. While management does not believe that the resolution of these claims will have a material adverse effect, individually or in aggregate, on its financial position, results of operations or cash flows, management acknowledges the uncertainty surrounding the ultimate resolution of these matters.

Note 12 – Stock-Based Compensation

In October 2011, our stockholders approved the 2011 Equity Incentive Plan, which was subsequently amended and restated in March 2013 (as amended, the "2011 Equity Plan"). The 2011 Equity Plan provides directors, executive officers, and other employees of the Company with additional incentives by allowing them to acquire ownership interest in the business and, as a result, encouraging them to contribute to the Company's success. We may provide these incentives through the grant of stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares and units, and other cash-based or stock-based awards. As of March 28, 2020, 1,232,612 shares of common stock are authorized and reserved for issuance under the 2011 Equity Plan. This reserve automatically increases on each January 1 from 2014 through 2023, by an amount equal to the smaller of (i) 3.5% of the number of shares issued and outstanding on the immediately preceding December 31, or (ii) an amount determined by our Board of Directors. The restricted shares of common stock granted generally provide for service-based vesting after two to four years following the grant date.

The following summarizes the activity of restricted stock awards during the three months ended March 28, 2020:

	Number of Unvested Restricted Shares of Common Stock and Restricted Stock Units	Weighted Average Grant Date Fair Value
December 28, 2019	652,677	$ 58.20
Granted	16,560	$ 65.00
Vested	(9,908)	$ 36.00
Forfeited	(12,143)	$ 63.00
March 28, 2020	647,186	$ 59.06

Share-based compensation expense relating to restricted stock awards during the three months ended March 28, 2020 and March 30, 2019 was $3,379 and $1,798, respectively. Approximately $17,783 of deferred compensation, which is expected to be recognized over the remaining weighted average vesting period of 1.2 years, is unrecognized at March 28, 2020. The total fair value of restricted shares vested during the three months ended March 28, 2020 and March 30, 2019 was $528 and $989, respectively.

Note 13 – Income Taxes

As of March 28, 2020 and December 28, 2019, the Company had net deferred income tax liabilities of $51,727 and $53,341, respectively. Deferred income tax liabilities primarily relate to intangible assets and accounting basis adjustments where we have a future obligation for tax purposes.

Our consolidated effective income tax rate was 25.1% and 21.5%, respectively, for the three months ended March 28, 2020 and March 30, 2019, respectively. The difference between the effective income tax rate and the combined statutory federal and state income tax rate was primarily due to federal credits and excess tax benefits from share-based payments in the first quarter of 2019.

We evaluate tax positions for recognition using a more-likely-than-not recognition threshold, and those tax positions eligible for recognition are measured as the largest amount of tax benefit that is greater than 50% likely of being realized upon the effective settlement with a taxing authority that has full knowledge of all relevant information. The California Franchise Tax Board (“CFTB”) challenged research and development tax credits generated for the years 2012 to 2014. Fiscal years 2012 through 2019 are considered open tax years in the State of California and 2016 through 2019 in the U.S. federal jurisdiction and other state and foreign jurisdictions. It is not expected that there will be a significant change in the unrecognized tax benefits within the next 12 months.

Note 14 – Reportable Segments

The Company reports segment information in accordance with ASC Topic No. 280 “*Segment Reporting”* (“Topic No. 280”). Effective the beginning of fiscal year 2020, the Company's Chief Executive Officer, who is the chief operating decision maker ("CODM"), re-evaluated the structure of the Company's internal organization as a result of the 2019 acquisition of QSI. To reflect management's revised perspective, the Company is now organized into three operating and reportable segments: Infrastructure (INF), which includes the Company's engineering, civil program management, and construction quality assurance practices; Building, Technology & Sciences (BTS), which includes the Company's utility services, environmental practices and buildings program management practices; and Geospatial Solutions (GEO), which includes the Company's geospatial solution practices. The GEO segment has been created in order to provide greater visibility regarding the operational and financial performance of QSI and of the Company as a whole. The GEO segment structure is consistent with how the Company plans and allocates resources, manages its business, and assesses its performance. There was no impact to the INF and BTS prior period segment financial results. The assets of QSI were reallocated from the Company's INF reportable segment to the Company's new GEO reportable segment.

We evaluate the performance of these reportable segments based on their respective operating income before the effect of amortization expense related to acquisitions and other unallocated corporate expenses. We account for inter-segment revenues and transfers as if the sales and transfers were to third parties. All intercompany balances and transactions are eliminated in consolidation.

(in thousands, except share data)

The following tables set forth summarized financial information concerning our reportable segments:

	Three Months Ended	
	March 28, 2020	March 30, 2019
Gross revenues		
INF	$ 85,476	$ 77,772
BTS	43,525	40,274
GEO	37,958	—
Elimination of inter-segment revenues	(1,479)	(711)
Total gross revenues	$ 165,480	$ 117,335
Segment income before taxes		
INF	$ 13,340	$ 12,574
BTS	5,419	5,917
GEO	7,613	—
Total Segment income before taxes	26,372	18,491
Corporate[1]	(20,778)	(11,431)
Total income before taxes	$ 5,594	$ 7,060

[1] Includes amortization of intangibles of $8,339 and $5,000 for the three months ended March 28, 2020 and March 30, 2019, respectively.

	March 28, 2020	December 28, 2019
Assets		
INF	$ 306,061	$ 303,239
BTS	129,556	131,967
GEO	366,933	365,605
Corporate[1]	88,868	92,326
Total assets	$ 891,418	$ 893,137

[1] Corporate assets consist of intercompany eliminations and assets not allocated to segments including cash and cash equivalents and certain other assets.

Substantially all of the Company's assets are located in the United States.

Upon adoption of Topic 606, we disaggregate our gross revenues from contracts with customers by geographic location, customer-type and contract-type for each of our reportable segments. Disaggregated revenues include the elimination of inter-segment revenues which has been allocated to each segment. We believe this best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by economic factors. Gross revenue, classified by the major geographic areas in which the Company's customers were located, were as follows:

	Three Months Ended March 28, 2020				Three Months Ended March 30, 2019			
	INF	BTS	GEO	Total	INF	BTS	GEO	Total
United States	$ 84,426	$ 40,442	$ 37,537	$ 162,405	$ 77,273	$ 37,497	$ —	$ 114,770
Foreign	—	2,670	405	3,075	—	2,565	—	2,565
Total gross revenues	$ 84,426	$ 43,112	$ 37,942	$ 165,480	$ 77,273	$ 40,062	$ —	$ 117,335

(in thousands, except share data)

Gross revenue by customer were as follows:

	Three Months Ended March 28, 2020				Three Months Ended March 30, 2019			
	INF	BTS	GEO	Total	INF	BTS	GEO	Total
Public and quasi-public sector	$ 65,385	$ 17,836	$ 26,513	$ 109,734	$ 68,129	$ 15,316	$ —	$ 83,445
Private sector	19,041	25,276	11,429	55,746	9,144	24,746	—	33,890
Total gross revenues	$ 84,426	$ 43,112	$ 37,942	$ 165,480	$ 77,273	$ 40,062	$ —	$ 117,335

Gross revenues by contract type were as follows:

	Three Months Ended March 28, 2020				Three Months Ended March 30, 2019			
	INF	BTS	GEO	Total	INF	BTS	GEO	Total
Cost-reimbursable contracts	$ 80,365	$ 33,211	$ 37,942	$ 151,518	$ 75,767	$ 32,144	$ —	$ 107,911
Fixed-unit price contracts	4,061	9,901	—	13,962	1,506	7,918	—	9,424
Total gross revenues	$ 84,426	$ 43,112	$ 37,942	$ 165,480	$ 77,273	$ 40,062	$ —	$ 117,335

Note 15 – Leases

The Company primarily leases property under operating leases and has five equipment operating leases for aircrafts used by the operations of QSI. The Company's property operating leases consist of various office facilities, which we lease from unrelated parties. We use a portfolio approach to account for such leases due to the similarities in characteristics and apply an incremental borrowing rate based on estimates of rates the Company would pay for senior collateralized loans over a similar term. Our office leases with an initial term of 12 months or less are not recorded on the balance sheet. We account for lease components (e.g. fixed payments including rent, real estate taxes and common area maintenance costs) as a single lease component. Some of our leases include one or more options to renew the lease term at our sole discretion; however, these are not included in the calculation of our lease liability or ROU lease asset because they are not reasonably certain of exercise.

We also lease vehicles through a fleet leasing program. The payments for the vehicles are based on the terms selected. We have determined that it is reasonably certain that the leased vehicles will be held beyond the period in which the entire capitalized value of the vehicle has been paid to the lessor. As such, the capitalized value is the delivered price of the vehicle. Our vehicle leases are classified as financing leases.

(in thousands, except share data)

Supplemental balance sheet information related to the Company's operating and finance leases is as follows:

Leases	**Classification**	**March 28, 2020**	**December 28, 2019**
Assets			
Operating lease assets	Right-of-use lease asset, net [1]	$ 43,950	$ 46,313
Finance lease assets	Property and equipment, net [1]	2,493	2,371
Total leased assets		$ 46,443	$ 48,685
Liabilities			
Current			
Operating	Accrued liabilities	$ (12,751)	$ (13,108)
Finance	Current portion of notes payable and other obligations	(1,084)	(1,022)
Noncurrent			
Operating	Long-term lease liability	(32,624)	(34,573)
Finance	Notes payable and other obligations, less current portion	(1,716)	(1,685)
Total lease liabilities		$ (48,175)	$ (50,388)

[1] At March 28, 2020, operating right of-use lease assets and finance lease assets are recorded net of accumulated amortization of $11,361 and $1,849, respectively. At December 28, 2019, operating right-of-use lease assets and finance lease assets are recorded net of accumulated amortization of $9,657 and $1,592, respectively.

Supplemental balance sheet information related to the Company's operating and finance leases is as follows:

Weighted - Average Remaining Lease Term (Years)	**March 28, 2020**	**December 28, 2019**
Operating leases	4.9	5.0
Finance leases	2.6	2.8
Weighted - Average Discount Rate		
Operating leases	4%	4%
Finance leases	7%	7%

Supplemental cash flow information related to the Company's operating and finance lease liabilities is as follows:

	Three Months Ended March 28, 2020	**Three Months Ended March 30, 2019**
Operating cash flows from operating leases	$ 3,520	$ 2,280
Financing cash flows from finance leases	$ 267	$ 163
Right-of-use assets obtained in exchange for lease obligations		
Operating leases	$ 4,990	$ 1,062

(in thousands, except share data)

The following table summarizes the components of lease cost recognized in the consolidated statements of net income and comprehensive income:

Lease Cost	Classification	Three Months Ended March 28, 2020	Three Months Ended March 30, 2019
Operating lease cost	Facilities and facilities related	$ 3,585	$ 2,452
Finance lease cost			
Amortization of financing lease assets	Depreciation and amortization	249	163
Interest on lease liabilities	Interest expense	30	25
Total lease cost		$ 3,864	$ 2,640

As of March 28, 2020, maturities of the Company's lease liabilities under its long-term operating leases and finance leases for the next five fiscal years and thereafter are as follows:

Fiscal Year	Operating Leases	Finance Leases
Remainder of 2020	$ 10,997	$ 817
2021	12,770	964
2022	8,956	769
2023	6,301	483
2024	4,034	213
Thereafter	6,940	6
Total lease payments	49,998	3,252
Less: Interest	(4,623)	(452)
Present value of lease liabilities	$ 45,375	$ 2,800

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion and analysis of the financial condition and results of operations of NV5 Global, Inc. and its subsidiaries (collectively, the "Company," "we," "our," "us" or "NV5 Global") should be read in conjunction with the financial statements included elsewhere in this Quarterly Report and the audited financial statements for the year ended December 28, 2019, included in our Annual Report on Form 10-K. This Quarterly Report contains, in addition to unaudited historical information, forward-looking statements, which involve risk and uncertainties. The words "believe," "expect," "estimate," "may," "will," "could," "plan," or "continue" and similar expressions are intended to identify forward-looking statements. Our actual results could differ materially from the results those anticipated in such forward-looking statements. Factors that could cause or contribute to such differences in results and outcomes include, those discussed under the headings "Risk Factors" in our Annual Report on Form 10-K for the year ended December 28, 2019 and this Quarterly Report on Form 10-Q, if any. Readers are urged not to place undue reliance on these forward-looking statements, which speak only as of the date of this Quarterly Report on Form 10-Q. We undertake no obligation to (and we expressly disclaim any obligation to) revise or update any forward-looking statement, whether as a result of new information, subsequent events, or otherwise (except as may be required by law), in order to reflect any event or circumstance which may arise after the date of this Quarterly Report on Form 10-Q. Amounts presented are in thousands, except per share data.

Overview

We are a provider of professional and technical engineering and consulting solutions to public and private sector clients. We focus on the infrastructure, utility services, construction, real estate, and environmental markets. We primarily focus on the following business service verticals: construction quality assurance, infrastructure, utility services, program management, and environmental solutions, and geospatial solutions. Our primary clients include U.S. federal, state, municipal, and local government agencies, and military and defense clients. We also serve quasi-public and private sector clients from the education, healthcare, utility services, and public utilities, including schools, universities, hospitals, health care providers, insurance providers, large utility service providers, and large to small utility service producers.

Segments

Effective the beginning of fiscal year 2020, we re-evaluated the structure of our internal organization structure as a result of the 2019 acquisition of Geospatial Holdings, Inc. and its subsidiaries, including Quantum Spatial, Inc. (collectively "QSI"). To reflect management's revised perspective, we are now organized into three operating and reportable segments:

- *Infrastructure (INF)* - includes our engineering, civil program management, and construction quality assurance, testing and inspection practices;
- *Building, Technology & Sciences (BTS)* – includes our utility services, environmental and buildings program management practices; and
- *Geospatial Solutions (GEO)* – includes our geospatial solution practices.

The GEO segment has been created in order to provide greater visibility regarding the operational and financial performance of QSI. The GEO segment structure is consistent with how we plan and allocate resources, manage our business, and assess our performance. Our INF and BTS segments remain unchanged and the addition of the GEO segment did not have an impact on prior period segment financial results. The assets of QSI were reallocated from our INF reportable segment to our new GEO reportable segment.

For additional information regarding our reportable segments, see Note 14, *Reportable Segments*, of the "Notes to Consolidated Financial Statements" included elsewhere herein.

Impact of COVID-19 on Our Business

The COVID-19 pandemic has significantly impacted global stock markets and economies and has adversely affected the market price of our common stock. We are closely monitoring the impact of the outbreak of COVID-19 on all aspects of our business, including how it will impact our customers and employees. While COVID-19 did not have a material adverse effect on our reported results for our first quarter, we are unable to predict the ultimate impact that it may have on our business, future results of operations, financial position, or cash flows. The extent to which our operations may be impacted by the COVID-19 pandemic will depend largely on future developments, which are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning the severity of the outbreak and actions by government authorities to contain the outbreak or treat its impact. We intend to continue to monitor the impact of COVID-19 pandemic on our business closely.

Critical Accounting Policies and Estimates

For a discussion of our critical accounting estimates, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” that is included in the 2019 Form 10-K.

Results of Operations

Consolidated Results of Operations

The following table represents our condensed results of operations for the periods indicated (dollars in thousands):

	Three Months Ended	
	March 28, 2020	**March 30, 2019**
Gross revenues	$ 165,480	$ 117,335
Less sub-consultant services and other direct costs	(35,914)	(26,648)
Net revenues [(1)]	129,566	90,687
Direct salary and wages costs	45,034	35,257
Gross profit	84,532	55,430
Operating expenses	75,150	48,019
Income from operations	9,382	7,411
Interest expense	(3,788)	(351)
Income tax expense	(1,406)	(1,517)
Net income	$ 4,188	$ 5,543

[(1)] Net Revenues is not a measure of financial performance under GAAP. Gross revenues include sub-consultant costs and other direct costs which are generally pass-through costs. The Company believes that Net Revenues, which is a non-U.S. GAAP financial measure commonly used in our industry, enhances investors’ ability to analyze our business trends and performance because it substantially measures the work performed by our employees.

Three Months Ended March 28, 2020 Compared to the Three Months Ended March 30, 2019.

Gross and Net Revenues

Our consolidated gross revenues increased by $48,145, or 41.0%, for the three months ended March 28, 2020 compared to the three months ended March 30, 2019. The increase in gross revenues was primarily due to the contribution from QSI of $37,942. Additionally, other acquisitions completed since the first quarter of 2019 contributed gross revenues of $15,608. Offsetting these increases was a decrease in gross revenue from our liquefied natural gas business of $9,936. This decrease is primarily due to the timing revenue recognition. All other locations had a net increase in gross revenues of $4,531.

Our consolidated net revenues increased by $38,879, or 42.9%, for the three months ended March 28, 2020 compared to the three months ended March 30, 2019. The increase in net revenues was primarily due to the contribution from QSI of $26,258. Additionally, other acquisitions completed since the first quarter of 2019 contributed net revenues of $12,401. All other locations had a net increase in net revenues of $220.

Gross Profit

As a percentage of gross revenues, our gross profit margin was 51.1% and 47.2% for the three months ended March 28, 2020 and March 30, 2019, respectively. The increase in gross profit margin was primarily due to a change in our mix of business resulting from the QSI acquisition. As a percentage of gross revenues, direct salaries and wages decreased 2.8%, primarily as a result of our mix of work performed. Additionally, other direct costs decreased 3.1% as a percentage of gross revenues on a combined basis. Partially offsetting these decreases, sub-consultant services increased 2.0% as a percentage of gross revenue, primarily as a result of our mix of work performed.

Operating expenses

Our operating expenses increased $27,131, or 56.5% for the three months ended March 28, 2020 compared to the three months ended March 30, 2019. The increase in operating expenses primarily resulted from increased payroll and performance-based compensation costs of $16,318, including stock-based compensation of $3,379 during the three months ended March 28, 2020 compared to $1,798 during three months ended March 30, 2019. General and administrative costs increased $4,295, which was primarily due to costs associated with acquisitions completed since the first quarter of 2019. Additionally, depreciation and amortization expenses increased $1,588 and $3,339, respectively.

Interest Expense

Our interest expense increased $3,437, or approximately 979.1%, for the three months ended March 28, 2020 compared to the three months ended March 30, 2019. The increase in interest expense primarily resulted from the increased level of indebtedness associated with the QSI acquisition.

Income taxes

Our consolidated effective income tax rate was 25.1% and 21.5% for the three months ended March 28, 2020 and March 30, 2019, respectively. The increase in the first quarter tax rate over the prior year was primarily due to less favorable excess tax benefits from share-based payments.

Net income

Our net income decreased $1,355 for three months ended March 28, 2020, or 24.4%, compared to three months ended March 30, 2019. The decrease was primarily a result of an increase in stock-based compensation expense of $1,581, an increase in intangible asset amortization expense of $3,339, an increase in depreciation expense of $1,588, and an increase in interest expense of $3,437.

Segment Results of Operations

The following tables set forth summarized financial information concerning our reportable segments (dollars in thousands):

	Three Months Ended	
	March 28, 2020	**March 30, 2019**
Gross revenues		
INF	$ 85,476	$ 77,772
BTS	43,525	40,274
GEO	37,958	—
Elimination of inter-segment revenues	(1,479)	(711)
Total gross revenues	$ 165,480	$ 117,335
Segment income before taxes		
INF	$ 13,340	$ 12,574
BTS	$ 5,419	$ 5,917
GEO	$ 7,613	$ —

For additional information regarding our reportable segments, see Note 14, *Reportable Segments*, of the notes to the unaudited consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

Three Months Ended March 28, 2020 Compared to Three Months Ended March 30, 2019

INF Segment

Our gross revenues from INF increased $7,704, or 10%, during the three months ended March 28, 2020 compared to the three months ended March 30, 2019. The increase in gross revenues is due to $15,608 in contributions from acquisitions completed since the first quarter of 2019. Offsetting these increases was a decrease in gross revenue from our liquefied natural gas business of $9,936. All other locations had a net increase in gross revenues of $2,032.

Segment Income before Taxes from INF increased $766, or 6%, during the three months ended March 28, 2020 compared to the three months ended March 30, 2019. The increase was primarily due to acquisitions completed since the first quarter of 2019.

BTS Segment

Our gross revenues from BTS increased $3,251, or 8% during the three months ended March 28, 2020 compared to the three months ended March 30, 2019. The increase in gross revenues was primarily due to $2,069 in contributions from acquisitions completed since the first quarter of 2019.

Segment Income before Taxes from BTS decreased $498, or 8% during the three months ended March 28, 2020 compared to the three months ended March 30, 2019. The decrease was primarily due to a lower gross profit margin resulting from the mix of work performed.

GEO Segment

Our gross revenues from GEO was $37,942 during the three months ended March 28, 2020. Gross revenues were primarily derived from public and quasi-public sector clients, which contributed $26,513 of gross revenues. Private sector clients contributed gross revenues of $11,429 during the three months ended March 28, 2020.

Segment Income before Taxes for GEO was $7,613 during the three months ended March 28, 2020.

Liquidity and Capital Resources

Our principal sources of liquidity are our cash and cash equivalents balances, cash flows from operations, borrowing capacity under our Senior Credit Facility, and access to financial markets. Our principal uses of cash are operating expenses, working capital requirements, capital expenditures, repayment of debt, and acquisition expenditures. We believe our sources of liquidity, including cash flows from operations, existing cash and cash equivalents and borrowing capacity under our Senior Credit Facility will be sufficient to meet our projected cash requirements for at least the next twelve months. We will monitor our capital requirements thereafter to ensure our needs are in line with available capital resources.

Operating activities

During the three months ended March 28, 2020, net cash provided by operating activities was $13,603, which was due to earnings of $18,793 after adding back non-cash adjustments and changes in working capital and other long-term assets and liabilities. Non-cash items from operating activities were depreciation and amortization, stock-based compensation, bad debt expense, deferred income taxes, non-cash lease expenses, gain on disposals of property and equipment, and amortization of debt issuance costs. Changes in working capital (excluding cash) and changes in other long-term assets and liabilities used $5,190 during the three months ended March 28, 2020. Working capital changes that used operating cash flow included a decrease in accrued liabilities of $8,061 and a net increase in billed and unbilled receivables of $1,711. Working capital changes that provided operating cash flow during the three months ended March 28, 2020 included decreases in prepaid expenses and other assets of $1,962. Additionally, increases in income taxes payable, billings in excess of costs and estimated earnings on uncompleted contracts, accounts payable, and deposits provided operating cash flow of $1,365, $1,204, $44, and $7, respectively.

During the three months ended March 30, 2019, net cash provided by operating activities was $16,313, which was due to earnings of $15,256 after adding back non-cash adjustments and a change in working capital and other long-term assets and liabilities. Non-cash items from operating activities were depreciation and amortization, stock-based compensation, bad debt expense, deferred income taxes, non-cash lease expenses, changes in the fair value of contingent considerations, and loss on disposals of property and equipment. Changes in working (excluding cash) and changes in other long-term assets and liabilities provided $1,057 during the three months ended March 30, 2019. Working capital changes that provided operating cash flow included decreases in billed and unbilled receivables of $12,345. Additionally, increases in income tax payables and deposits provided operating cash flow of $1,521 and $62, respectively. Working capital changes that used operating cash flow during the three months ended March 30, 2019 included decreases in accounts payable, accrued liabilities, and billings in excess of costs and estimated changes on uncompleted contracts of $3,240, $4,930, and $3,370, respectively. Additionally, an increase in prepaid expenses and other assets used operating cash flow of $1,331.

Investing activities

During the three months ended March 28, 2020 and March 30, 2019, net cash used in investing activities totaled $4,100 and $8,690, respectively. The decrease in cash used in investing activities was primarily a result of decreased acquisition activity.

Financing activities

Cash flows used in financing activities during the three months ended March 28, 2020 totaled $3,002 compared to net cash used in financing activities of $2,548 during the three months ended March 30, 2019. The increase was primarily due to principal payments on our long-term debt of $2,116 during the three months ended March 28, 2020 compared to $1,848 during the three months ended March 30, 2019. Additionally, we paid debt issuance costs of $236 during the three months ended March 30, 2019.

Financing

Senior Credit Facility

On December 20, 2019 (the "Closing Date"), we amended and restated our Credit Agreement (the "A&R Credit Agreement"), dated December 7, 2016, as amended on December 20, 2018, with Bank of America, N.A. ("Bank of America"), as administrative agent, swingline lender and letter of credit issuer, the other lenders party thereto, and certain of our subsidiaries as guarantors. Pursuant to the A&R Credit Agreement, the lenders provided term commitments of $150.0 million in the aggregate in a single draw on the Closing Date to fund the acquisition of QSI and various costs and expenses relating thereto and revolving commitments totaling $215.0 million in the aggregate. The revolving commitment is available through December 20, 2024 (the "Maturity Date"), at which time the term commitments and revolving commitments will be due and payable in full. An aggregate amount of $320.5 million was drawn under the A&R Credit Agreement on the Closing Date to fund the QSI acquisition and repay previously existing borrowings. The Senior Credit Facility is secured by a first priority lien on substantially all of our assets. The A&R Credit Agreement also includes an accordion feature permitting us to request an increase in either the term facility or the revolver facility under the A&R Credit Agreement by an additional amount of up to $100.0 million in the aggregate.

Borrowings under the term facility amortize at the rate of 5.0% per annum for the first two years of the facility and thereafter at the rate of 7.5% per annum until the Maturity Date.

Borrowings under the A&R Credit Agreement bear interest at variable rates described below, which are, at our option, tied to a Eurocurrency rate equal to LIBOR (London Interbank Offered Rate) plus an applicable margin or a base rate denominated in U.S. dollars. Interest rates are subject to change based on our consolidated leverage ratio. The consolidated leverage ratio is the ratio of our pro forma consolidated funded indebtedness to our pro forma consolidated EBITDA for the most recently completed measurement period.

The A&R Credit Agreement contains covenants that may have the effect of limiting our ability to, among other things, merge with or acquire other entities, enter into a transaction resulting in a Change in Control, create certain new liens, incur certain additional indebtedness, engage in certain transactions with affiliates, or engage in new lines of business or sell a substantial part of their assets. The A&R Credit Agreement also contains financial covenants that requires us to maintain a consolidated fixed charge coverage ratio of no less than 1.20 to 1.00 as of the end of any measurement period. In addition, prior to the Amendment Closing Date referred to below, we were required to maintain a consolidated leverage ratio as described below:

Measurement Period Ending	Maximum Consolidated Leverage Ratio
Closing Date through June 30, 2020	4.25 to 1.00
July 1, 2020 through September 30, 2020	4.00 to 1.00
October 1, 2020 through December 31, 2020	3.75 to 1.00
January 1, 2021 and thereafter	3.50 to 1.00

As of March 28, 2020, we were in compliance with the financial covenants.

The A&R Credit Agreement also contains customary events of default, including (but not limited to) a default in the payment of principal or, following an applicable grace period, interest, breaches of our covenants or warranties under the A&R Credit Agreement, payment default or acceleration of certain indebtedness, certain events of bankruptcy, insolvency or liquidation, certain judgments or uninsured losses, changes in control and certain liabilities related to ERISA based plans.

The A&R Credit Agreement limits the payment of cash dividends (together with certain other payments that would constitute a "Restricted Payment" within the meaning of the A&R Credit Agreement and generally including dividends, stock repurchases and certain other payments in respect to warrants, options, and other rights to acquire equity securities) to no more than $10,000 in any fiscal year, so long as no default shall exist at the time of or arise as a result from such payment.

On May 5, 2020 (the "Amendment Closing Date"), in response to the COVID-19 pandemic, we entered into an amendment to the A&R Credit Agreement (the "Amended A&R Credit Agreement"). The amended consolidated leverage ratio requirements are as follows:

Measurement Period Ending	**Maximum Consolidated Leverage Ratio**
Amendment Closing Date through June 27, 2020	4.50 to 1.00
June 28, 2020 through October 3, 2020	5.00 to 1.00
October 4, 2020 through January 2, 2021	5.25 to 1.00
January 3, 2021 and April 3, 2021	4.75 to 1.00
April 4, 2021 and July 3, 2021	4.00 to 1.00
July 4, 2021 and thereafter	3.50 to 1.00

The Amended A&R Credit Agreement also amended pricing terms which remain variable and tied to a Eurocurrency rate equal to LIBOR plus an applicable margin or a base rate denominated in U.S. dollars. Interest rates remain subject to change based on our consolidated leverage ratio.

Other Obligations

On July 1, 2019, we acquired GeoDesign. The purchase price allowed for the payment of $425 in shares of our stock or a combination of cash and shares of our stock, at our discretion, payable on the first and second anniversary of July 1, 2019. At March 28, 2020 and December 28, 2019, the outstanding balance of this obligation was $382.

On June 3, 2019, we acquired Page One. The purchase price allowed for the payment of $200 in shares of our stock or a combination of cash and shares of our stock, at our discretion, payable on the first anniversary of June 3, 2019. At March 28, 2020 and December 28, 2019, the outstanding balance of this obligation was $181.

On December 31, 2018, we acquired certain assets of Celtic. The purchase price allowed for the payment of $200 in shares of our stock or a combination of cash and shares of our stock, at our discretion, payable on the first anniversary of December 31, 2018. There was no outstanding balance on this obligation as of March 28, 2020. At December 28, 2019, the outstanding balance of this obligation was $181.

On November 2, 2018, we acquired CHI. The purchase price allowed for the payment of $3,000 in shares of our stock or a combination of cash and shares of our stock, at our discretion, payable in three equal annual installments. At March 28, 2020 and December 28, 2019, the outstanding balance of this obligation was $1,754.

On February 2, 2018, we acquired CSA. The purchase price allowed for the payment of $250 in shares of our stock or a combination of cash and shares of our stock, at our discretion, payable in two equal annual installments. There was no outstanding balance on this obligation as of March 28, 2020. At December 28, 2019, the outstanding balance of this obligation was $111.

On January 12, 2018, we acquired all of the outstanding equity interest in Butsko. The purchase price allowed for the payment of $600 in shares of our stock or a combination of cash and shares of our stock, at our discretion, payable in two equal annual installments. There was no outstanding balance on this obligation as of March 28, 2020. At December 28, 2019, the outstanding balance of this obligation $267.

Uncollateralized Promissory Notes

On July 1, 2019, we acquired GeoDesign. The purchase price included an uncollateralized $2,000 promissory note bearing interest at 4.0% ("GeoDesign Note") and payable in four equal annual installments. The outstanding balance of the GeoDesign Note was $2,000 as of March 28, 2020 and December 28, 2019.

On June 3, 2019, we acquired Alta. The purchase price included an uncollateralized $2,000 promissory note bearing interest at 4.0% ("Alta Note") and payable in four equal annual installments. The outstanding balance of the Alta Note was $2,000 as of March 28, 2020 and December 28, 2019.

On June 3, 2019, we acquired Page One. The purchase price included an uncollateralized $1,000 promissory note bearing interest at 3.0% ("Page One Note") and payable in three equal annual installments. The outstanding balance of the Page One Note was $1,000 as of March 28, 2020 and December 28, 2019.

On March 22, 2019, we acquired The Sextant Group. The purchase price included an uncollateralized $4,000 promissory note bearing interest at 4.0% ("The Sextant Group Note") and payable in four equal annual installments. The outstanding balance of The Sextant Group Note was $3,000 and $3,140 as of March 28, 2020 and December 28, 2019, respectively.

On December 31, 2018, we acquired certain assets of Celtic. The purchase price included an uncollateralized $300 promissory note bearing interest at 3.0% (the "Celtic Note") payable in three equal annual installments. The outstanding balance of the Celtic Note was $200 and $300 as of March 28, 2020 and December 28, 2019, respectively.

On November 2, 2018, we acquired CHI. The purchase price included an uncollateralized $15,000 promissory note bearing interest at 3.0% (the "CHI Note") payable in four equal annual installments. The outstanding balance of the CHI Note was $11,250 as of March 28, 2020 and December 28, 2019.

On August 24, 2018, we acquired CALYX. The purchase price included an uncollateralized $4,000 promissory note bearing interest at 3.75% payable in four equal annual installments of $1,000. The outstanding balance of the CALYX Note was $3,000 as of March 28, 2020 and December 28, 2019.

On February 2, 2018, we acquired CSA. The purchase price included an uncollateralized $600 promissory note bearing interest at 3.0% (the "CSA Note") payable in four equal annual installments of $150,000. The outstanding balance of the CSA Note was $300 and $450 as of March 28, 2020 and December 28, 2019, respectively.

On January 12, 2018, we acquired all of the outstanding equity interest in Butsko. The purchase price included an uncollateralized $1,000 promissory note bearing interest at 3.0% (the "Butsko Note") payable in four equal annual installments of $250. The outstanding balance of the Butsko Note was $500 and $750 as of March 28, 2020 and December 28, 2019, respectively

On September 6, 2017, we acquired all of the outstanding interests in Marron. The purchase price included an uncollateralized $300 promissory note bearing interest at 3.0% (the "Marron Note") payable in three equal annual installments of $100. The outstanding balance of the Marron Note was $100 as of March 28, 2020 and December 28, 2019.

On June 6, 2017, we acquired all of the outstanding equity interest in RDK. The purchase price included an uncollateralized $5,500 promissory note bearing interest at 3.0% (the "RDK Note") payable in four equal annual installments of $1,375. The outstanding balance of the RDK Note was $2,750 as of March 28, 2020 and December 28, 2019.

On May 4, 2017, we acquired all of the outstanding equity interest in H&K. The purchase price included an uncollateralized $600 promissory note bearing interest at 3.0% (the "H&K Note") payable in four equal annual installments of $150. The outstanding balance of the H&K Note was $300 as of March 28, 2020 and December 28, 2019.

On May 1, 2017, we acquired all of the outstanding equity interest in Lochrane. The purchase price included an uncollateralized $1,650 promissory note bearing interest at 3.0% (the "Lochrane Note") payable in four equal annual installments of $413. The outstanding balance of the Lochrane Note was $825 as of March 28, 2020 and December 28, 2019.

On December 6, 2016, we acquired all of the outstanding interests of CivilSource. The purchase price included an uncollateralized $3,500 promissory note bearing interest at 3.0% (the "CivilSource Note") payable in four equal annual installments of $875. The outstanding balance of the CivilSource Note was $875 and $1,502 as of March 28, 2020 and December 28, 2019, respectively.

On November 30, 2016, we acquired all of the outstanding interests of Hanna. The purchase price included an uncollateralized $2,700 promissory note bearing interest at 3.0% (the "Hanna Note") payable in four equal annual installments of $675. The outstanding balance of the Hanna Note was $675 as of March 28, 2020 and December 28, 2019.

On October 26, 2016, we acquired all of the outstanding interests of JBA. The purchase price included an uncollateralized $7,000 promissory note bearing interest at 3.0% (the "JBA Note") payable in five equal annual installments of $1,400. The outstanding balance of the JBA Note was $4,163 as of March 28, 2020 and December 28, 2019.

On September 12, 2016, we acquired certain assets of Weir. The purchase price included an uncollateralized $500 promissory note bearing interest at 3.0% (the "Weir Note") payable in four equal annual installments of $125. The outstanding balance of the Weir Note was $125 as of March 28, 2020 and December 28, 2019.

On May 20, 2016, we acquired all of the outstanding equity interests of Dade Moeller. The purchase price included an aggregate of $6,000 of uncollateralized promissory notes bearing interest at 3.0% (the "Dade Moeller Notes") payable in four equal annual installments of $1,500. The outstanding balance of the Dade Moeller Notes was $1,497 as of March 28, 2020 and December 28, 2019.

Off-Balance Sheet Arrangements

We did not have any off-balance sheet arrangements as of March 28, 2020.

Effects of Inflation

Based on our analysis of the periods presented, we believe that inflation has not had a material effect on our operating results. There can be no assurance that future inflation will not have an adverse impact on our operating results and financial condition.

Recently Issued Accounting Pronouncements

For information on recently issued accounting pronouncements, see Note 2, *Summary of Significant Accounting Policies*, of the notes to the unaudited consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

Cautionary Statement about Forward-Looking Statements

Our disclosure and analysis in this Quarterly Report on Form 10-Q, contain “forward-looking” statements within the meaning of Section 27A of the Securities Act Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the Private Securities Litigation Reform Act of 1995. From time to time, we also provide forward-looking statements in other materials we release to the public, as well as oral forward-looking statements. Forward-looking statements include, statements regarding our “expectations,” “hopes,” “beliefs,” “intentions,” or “strategies” regarding the future. In addition, any statements that refer to projections, forecasts, or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. We have tried, wherever possible, to identify such statements by using words such as “anticipate,” “believe,” “expect,” “intend,” “estimate,” “predict,” “project,” “may,” “might,” “should,” “would,” “will,” “likely,” “will likely result,” “continue,” “could,” “future,” “plan,” “possible,” “potential,” “target,” “forecast,” “goal,” “observe,” “seek,” “strategy” and other words and terms of similar meaning, but the absence of these words does not mean that a statement is not forward looking. The forward-looking statements in this Current Report on Form 10-Q reflect the Company’s current views with respect to future events and financial performance.

Forward-looking statements are not historical factors and should not be read as a guarantee or assurance of future performance or results, and will not necessarily be accurate indications of the times at, or by, or if such performance or results will be achieved. Forward-looking statements are based on information available at the time those statements are made or management’s good faith beliefs, expectations and assumptions as of that time with respect to future events. Because forward-looking statements relate to the future, they are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Important factors that could cause such differences include:

- our ability to retain the continued service of our key professionals and to identify, hire and retain additional qualified professionals;
- changes in demand from the local and state government and private clients that we serve;
- general economic conditions, nationally and globally, and their effect on the demand and market for our services;
- fluctuations in our results of operations;
- the government’s funding and budgetary approval process;
- the possibility that our contracts may be terminated by our clients;
- our ability to win new contracts and renew existing contracts;

- our dependence on a limited number of clients;
- our ability to complete projects timely, in accordance with our customers' expectations, or profitability;
- our ability to successfully execute our mergers and acquisitions strategy, including the integration of new companies into our business;
- our ability to successfully manage our growth strategy;
- our ability to raise capital in the future;
- competitive pressures and trends in our industry and our ability to successfully compete with our competitors;
- our ability to avoid losses under fixed-price contracts;
- the credit and collection risks associated with our clients;
- our ability to comply with procurement laws and regulations;
- changes in laws, regulations, or policies;
- the enactment of legislation that could limit the ability of local, state and federal agencies to contract for our privatized services;
- our ability to complete our backlog of uncompleted projects as currently projected;
- the risk of employee misconduct or our failure to comply with laws and regulations;
- our ability to control, and operational issues pertaining to, business activities that we conduct with business partners and other third parties;
- our need to comply with a number of restrictive covenants and similar provisions in our senior credit facility that generally limit our ability to (among other things) incur additional indebtedness, create liens, make acquisitions, pay dividends and undergo certain changes in control, which could affect our ability to finance future operations, acquisitions or capital needs;
- significant influence by our principal stockholder and the existence of certain anti-takeover measures in our governing documents; and
- other factors identified throughout this Current Report on Form 10-Q, including those discussed under the headings "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Business."

The forward-looking statements contained in this report are based on our current expectations and beliefs concerning future developments and their potential effects on us. There can be no assurance that future developments affecting us will be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties, or assumptions, many of which are beyond our control, which may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, those factors described in Item 1A. *Risk Factors* in our Annual Report on Form 10-K for the year ended December 28, 2019. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as may be required under applicable securities laws. You are advised, however, to consult any further disclosures we make on related subjects in our Form 10-Q, 8-K and 10-K reports filed with the SEC. Our Annual Report on Form 10-K filing for the fiscal year ended December 28, 2019 listed various important factors that could cause actual results to differ materially from expected and historic results. We note these factors for investors as permitted by the Private Securities Litigation Reform Act of 1995, as amended. Readers can find them in "Item 1A. Risk Factors" of that filing and under the same heading of this filing. You may obtain a copy of our Annual Report on Form 10-K through our website, www.nv5.com. Information contained on our website is not incorporated into this report. In addition to visiting our website, you may read and copy any document we file with the SEC at www.sec.gov.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

We are exposed to certain market risks from transactions that are entered into during the normal course of business. We have not entered into derivative financial instruments for trading purposes. We have no significant market risk exposure to interest rate changes related to the promissory notes related to acquisitions since these contain fixed interest rates. Our only debt subject to interest rate risk is the Senior Credit Facility which rates are variable, at our option, tied to a Eurocurrency rate equal to LIBOR (London Interbank Offered Rate) plus an applicable rate or a base rate denominated in U.S. dollars. Interest rates are subject to change based on our Consolidated Senior Leverage Ratio (as defined in the Credit Agreement). As of March 28, 2020, there was $320.5 million outstanding on the Senior Credit Facility. A one percentage point change in the assumed interest rate of the Senior Credit Facility would change our annual interest expense by approximately $3,186 annually.

ITEM 4. CONTROLS AND PROCEDURES.

Disclosure Controls and Procedures

As of the end of the period covered by this Quarterly Report on Form 10-Q, the Company carried out an evaluation, under the supervision and with the participation of its management, including the Company's Chief Executive Officer and its Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as such term is defined in rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the period covered by this Quarterly Report on Form 10-Q, the Company's disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified by the Securities and Exchange Commission's rules and forms, and (ii) accumulated and communicated to the Company's management, including the Chief Executive Officer and Chief Financial Officer, in a manner that allows timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes to the Company’s internal control over financial reporting as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) that occurred during the quarter ended March 28, 2020 that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting. As a result of the COVID-19 pandemic, in March certain employees of the Company began working remotely. As a result of these changes to the working environment, the Company has not identified any material changes in the Company's internal control over financial reporting. The Company is continually monitoring and assessing the COVID-19 situation to determine any potential impacts on the design and operating effectiveness of our internal controls over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

From time to time, we are subject to various legal proceedings that arise in the normal course of our business activities. As of the date of this Quarterly Report on Form 10-Q, we are not a party to any litigation the outcome of which, if determined adversely to us, would individually or in the aggregate be reasonably expected to have a material adverse effect on our results of operations or financial position.

ITEM 1A. RISK FACTORS.

There have been no material changes to any of the principal risks that we believe are material to our business, results of operations and financial condition, from the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended December 28, 2019.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

Recent Sales of Unregistered Securities

None.

Issuer Purchase of Equity Securities

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

As noted under Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources, on May 5, 2020 the Company entered into an Amendment to the A&R Credit Agreement to revise provisions of the A&R Credit Agreement regarding the Company’s Consolidated Leverage Ratio (and related pricing terms) and certain grace periods applicable to the Company’s deposit and operating accounts acquired in connection with acquisitions of other businesses. A copy of the Amendment has been filed as an exhibit to this Quarterly Report on Form 10-Q and this description is qualified in all respects by reference thereto, which Amendment is hereby incorporated by reference thereto.

ITEM 6. EXHIBITS.

Number	**Description**
10.1*	Amendment No. 1 to the A&R Credit Agreement
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to § 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to § 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document

* Filed herewith.

** Furnished herewith. This certification is being furnished solely to accompany this report pursuant to 18 U.S.C. Section 1350, and is not being filed for purposes of Section 18 of the Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filings of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NV5 GLOBAL, INC.

By: /s/ Edward Codispoti

Date: May 7, 2020

Edward Codispoti
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 10.1

AMENDMENT NO. 1 TO CREDIT AGREEMENT

This **AMENDMENT NO. 1 TO CREDIT AGREEMENT** (this "Amendment") dated as of May 5, 2020, is made among **NV5 GLOBAL, INC.**, a Delaware corporation (the "Borrower"), the Lenders party hereto, **BANK OF AMERICA, N.A.**, in its capacity as administrative agent for the Lenders (as defined in the Credit Agreement described below) (in such capacity, the "Administrative Agent"), and the undersigned Guarantors. Each capitalized term used and not otherwise defined in this Amendment has the definition specified in the Credit Agreement described below.

RECITALS:

A. The Borrower, the Administrative Agent and the Lenders have entered into that certain Amended and Restated Credit Agreement dated as of December 20, 2019 (the "Existing Credit Agreement"; and the Existing Credit Agreement as amended by this Amendment, the "Credit Agreement"), pursuant to which the Lenders have made available to the Borrower a Revolving Facility and a Term Facility.

B. The Borrower has requested that the Existing Credit Agreement be amended as set forth herein.

C. The Administrative Agent and the Lenders are willing to amend the Existing Credit Agreement on the terms and conditions set forth herein.

NOW, **THEREFORE**, in consideration of the premises and further valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. **Amendments to Existing Credit Agreement**. Subject to and in accordance with the terms and conditions set forth herein and in reliance upon the representations and warranties set forth herein, the parties hereto hereby agree that the Existing Credit Agreement is hereby amended as follows:

(a) The definition of "Applicable Rate" in Section 1.01 is amended and restated in its entirety to read as follows:

"Applicable Rate" means, for any day, the rate per annum set forth below opposite the applicable Level then in effect (based on the Consolidated Leverage Ratio):

Level	Consolidated Leverage Ratio	Eurodollar Rate & Letter of Credit Fee	Base Rate	Commitment Fee
I	Less than 2.25 to 1.00	1.50%	0.50%	0.250%
II	Less than 2.75 to 1.00 but greater than or equal to 2.25 to 1.00	1.75%	0.75%	0.250%
III	Less than 3.25 to 1.00 but greater than or equal to 2.75 to 1.00	2.00%	1.00%	0.375%
IV	Less than 3.75 to 1.00 but greater than or equal to 3.25 to 1.00	2.25%	1.25%	0.375%
V	Less than 4.25 to 1.00 but greater than or equal to 3.75 to 1.00	2.75%	1.75%	0.375%
VI	Greater than or equal to 4.25 to 1.00	3.00%	2.00%	0.375%

Any increase or decrease in the Applicable Rate resulting from a change in the Consolidated Leverage Ratio shall become effective as of the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 6.02(a); provided that if a Compliance Certificate is not delivered when due in accordance with such Section, then, upon the request of the Required Lenders, Pricing Level VI shall apply, in each case as of the first Business Day after the date on which such Compliance Certificate was required to have been delivered and in each case shall remain in effect until the first Business Day following the date on which such Compliance Certificate is delivered.

Notwithstanding anything to the contrary contained in this definition, (a) the determination of the Applicable Rate for any period shall be subject to the provisions of Section 2.10(b) and (b) the Applicable Rate from the First Amendment Effective Date until the first Business Day immediately following the date a Compliance Certificate is delivered with respect to the September 30, 2020 Measurement Date shall be fixed at Level VI irrespective of the actual Consolidated Leverage Ratio. Any adjustment in the Applicable Rate shall be applicable to all Credit Extensions then existing or subsequently made or issued.

(b) The definition of "Base Rate" in Section 1.01 is amended and restated in its entirety to read as follows:

"Base Rate" means for any day a fluctuating rate of interest per annum equal to the highest of (a) the Federal Funds Rate plus 0.50%, (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its "prime rate," and (c) the Eurodollar Rate plus 1.00%, subject to the interest rate floors set forth therein; provided that if the Base Rate shall be less than 0.75%, such rate shall be deemed to be 0.75% for purposes of this Agreement. The "prime rate" is a rate set by Bank of America based upon various factors including Bank of America's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such prime rate announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change. If the Base Rate is being used as an alternate rate of interest pursuant to Section 3.03 hereof, then the Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above.

(c) The definition of "Eurodollar Rate" in Section 1.01 is amended and restated in its entirety to read as follows:

"Eurodollar Rate" means:

(a) for any Interest Period with respect to a Eurodollar Rate Loan, the rate per annum equal to the London Interbank Offered Rate as administered by ICE Benchmark Administration (or any other Person that takes over the administration of such rate for U.S. Dollars for a period equal in length to such Interest Period) ("LIBOR") as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) (in such case, the "LIBOR Rate") at or about 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period, for Dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period; and

(b) for any interest calculation with respect to a Base Rate Loan on any date, the rate per annum equal to the LIBOR Rate, at or about 11:00 a.m., London time, two (2) Business Days prior to such date for Dollar deposits with a term of one (1) month commencing that day;

provided that if the Eurodollar Rate shall be less than 0.75%, such rate shall be deemed to be 0.75% for purposes of this Agreement.

(d) Section 1.01 is amended to add the following new definition in appropriate alphabetical order to read as follows:
"First Amendment Effective Date" means the effective date of Amendment No. 1 to Amended and Restated Credit Agreement, being May 5, 2020.

(e) Section 3.03(e) of the Existing Credit Agreement is hereby amended and restated in its entirety to read as follows:

(e) Notwithstanding anything else herein, any definition of LIBOR Successor Rate shall provide that in no event shall such LIBOR Successor Rate be less than 0.75% for purposes of this Agreement.

(f) Section 6.16 of the Existing Credit Agreement is hereby amended and restated in its entirety to read as follows:

Maintain its primary depositary and operation accounts with the Administrative Agent (a) with respect to the Borrower and each Loan Party existing at the time of effectiveness of this Agreement, by the date that is 220 days following the Closing Date, (b) with respect to the Geospatial Target and any Subsidiary acquired as part of the Geospatial Acquisition, by the date that is 270 days following the Closing Date and (c) with respect to any Subsidiary directly or indirectly acquired by the Borrower following the Closing Date, by the date that is 130 days after the acquisition date of such Subsidiary.

(g) Section 7.11(a) of the Existing Credit Agreement is hereby amended and restated in its entirety to read as follows:

(a) Maximum Consolidated Leverage Ratio. Permit the Consolidated Leverage Ratio at any time during any period set forth below to be greater than the ratio set forth below opposite such period:

Measurement Period Ending	**Maximum Consolidated Leverage Ratio**
Closing Date through June 27, 2020	4.50 to 1.00
June 28, 2020 through October 3, 2020	5.00 to 1.00
October 4, 2020 through January 2, 2021	5.25 to 1.00
January 3, 2021 through April 3, 2021	4.75 to 1.00
April 4, 2021through July 3, 2021	4.00 to 1.00
July 4, 2021 and thereafter	3.50 to 1.00

(h) Section 11.18 of the Existing Credit Agreement is hereby amended and restated in its entirety to read as follows

This Agreement and any document, amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to this Agreement (each a "Communication"), including Communications required to be in writing, may be in the form of an Electronic Record and may be executed using Electronic Signatures. Each of the Loan Parties agrees that any Electronic Signature on or associated with any Communication shall be valid and binding on each of the Loan Parties to the same extent as a manual, original signature, and that any Communication entered into by Electronic Signature, will constitute the legal, valid and binding obligation of each of the Loan Parties enforceable against such in accordance with the terms thereof to the same extent as if a manually executed original signature was delivered. Any Communication may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts are one and the same Communication. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance by the Administrative Agent and each of the Secured Parties of a manually signed paper Communication which has been converted into electronic form (such as scanned into PDF format), or an electronically signed Communication converted into another format, for transmission, delivery and/or retention. The Administrative Agent and each of the Secured Parties may, at its option, create one or more copies of any Communication in the form of an imaged Electronic Record ("Electronic Copy"), which shall be deemed created in the ordinary course of the such Person's business, and destroy the original paper document. All Communications in the form of an Electronic Record, including an Electronic Copy, shall be considered an original for all purposes, and shall have the same legal effect, validity and enforceability as a paper record. Notwithstanding anything contained herein to the contrary, the

Administrative Agent is under no obligation to accept an Electronic Signature in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it; provided, further, without limiting the foregoing, (a) to the extent the Administrative Agent has agreed to accept such Electronic Signature, the Administrative Agent and each of the Secured Parties shall be entitled to rely on any such Electronic Signature purportedly given by or on behalf of any Loan Party without further verification and (b) upon the request of the Administrative Agent or any Lender, any Electronic Signature shall be promptly followed by such manually executed counterpart. For purposes hereof, “Electronic Record” and “Electronic Signature” shall have the meanings assigned to them, respectively, by 15 USC §7006, as it may be amended from time to time.

(i) Exhibit C to the Credit Agreement is amended and restated in its entirety in the form of Exhibit C hereto, to reflect the amendments contained in clause (g) above.

Section 2. Effectiveness; Conditions Precedent. This Amendment shall become effective as of the first date when each of the following conditions shall have been satisfied:

(a) the Administrative Agent shall have received counterparts of this Amendment, duly executed by the Borrower, each Guarantor, the Administrative Agent and the Required Lenders, which counterparts may be delivered by facsimile or other electronic means, followed, in the case of the Borrower and each Guarantors, with originals as soon as reasonably practicable;

(b) the Administrative Agent shall have received, (i) for the benefit of each Lender providing a signature page hereto, an amendment fee in the amount of 0.05% of such Lender’s Total Credit Exposure;

(c) the Administrative Agent shall have received reimbursement from the Borrower for its costs incurred in connection with this Amendment and all reasonable fees and expenses of counsel to the Administrative Agent, to the extent billed, shall have been paid; and

(d) the Administrative Agent shall have received such other documents, instruments, opinions, certifications, undertakings, further assurances and other matters as the Administrative Agent shall reasonably request on or prior to the date hereof.

Section 4. Representations and Warranties. In order to induce the Administrative Agent and the Lenders to enter into this Amendment, the Borrower and each Guarantor represents and warrants to the Administrative Agent and the Lenders as follows:

(a) The representations and warranties made by it in Article V of the Credit Agreement after giving effect to this Amendment, and by each Loan Party in each of the Loan Documents to which such Loan Party is a party, or in any document furnished at any time under or in connection therewith, are true and correct in all material respects (except for such representations and warranties as have a materiality or Material Adverse Effect qualification, which are true and correct in all respects) on and as of the date hereof, except that the representations and warranties contained in Sections 5.05(a) and (b) of the Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to Sections 6.01(a) and (b) of the Credit Agreement, respectively;

(b) Since the date of the most recent financial reports of the Borrower and its Subsidiaries delivered pursuant to Section 6.01(a) of the Credit Agreement, no act, event, condition or circumstance has occurred or arisen which, singly or in the aggregate with one or more other acts, events, occurrences or conditions (whenever occurring or arising), has had or could reasonably be expected to have a Material Adverse Effect;

(c) This Amendment has been duly authorized, executed and delivered by the Borrower and each Guarantor and constitutes a legal, valid and binding obligation of the Borrower and each Guarantor, except as may be limited by general principles of equity or by the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors’ rights generally; and

(d) As of the date hereof and after giving effect to this Amendment, no Default or Event of Default has occurred that is continuing.

Section 5. **Entire Agreement**. This Amendment, together with all the Loan Documents (collectively, the "Relevant Documents"), sets forth the entire understanding and agreement of the parties hereto in relation to the subject matter hereof and supersedes any prior negotiations and agreements among the parties relating to such subject matter. No promise, condition, representation or warranty, express or implied, not set forth in the Relevant Documents shall bind any party hereto, and no such party has relied on any such promise, condition, representation or warranty. Each of the parties hereto acknowledges that, except as otherwise expressly stated in the Relevant Documents, no representations, warranties or commitments, express or implied, have been made by any party to the other in relation to the subject matter hereof or thereof. None of the terms or conditions of this Amendment may be changed, modified, waived or canceled orally or otherwise, except in writing and in accordance with Section 11.01 of the Credit Agreement.

Section 6. **Full Force and Effect of Agreement**. Except as hereby specifically amended, modified or supplemented, the Credit Agreement and all other Loan Documents are hereby confirmed and ratified in all respects and shall be and remain in full force and effect according to their respective terms. Each of the Borrower and each Guarantor hereby (a) consents to, acknowledges and agrees to this Amendment and the amendments provided for herein and (b) hereby confirms and ratifies in all respects the Loan Documents to which such Person is a party (including, without limitation, the continuation of such Person's payment and performance obligations thereunder, in each case upon and after the effectiveness of this Amendment and the amendments contemplated hereby) and the enforceability of each such Loan Document against such Person in accordance with its terms.

Section 7. **Counterparts**. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Amendment by telecopy or other electronic means shall be effective as delivery of a manually executed counterpart of this Amendment.

Section 8. **Governing Law; Jurisdiction, Etc**. This Amendment shall in all respects be governed by, and construed in accordance with, the laws of the State of New York, and shall be further subject to the provisions of Sections 11.14 and 11.15 of the Credit Agreement.

Section 9. **Successors and Assigns**. This Amendment shall be binding upon and inure to the benefit of the Borrower, each Guarantor, the Administrative Agent and each Lender, and their respective successors and assignees to the extent such assignees are permitted assignees as provided in Section 11.06 of the Credit Agreement.

Section 10. **Severability**. If any provision of this Amendment is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Amendment shall nonetheless remain legal, valid and enforceable on the parties hereto and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provision with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provision. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

[Remainder of page intentionally left blank; signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be made, executed and delivered by their duly authorized officers as of the day and year first above written.

BORROWER:

NV5 GLOBAL, INC., a Delaware corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: Executive Vice President and General Counsel

GUARANTORS:

NV5 HOLDINGS, INC., a Delaware corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and General Counsel

NV5, INC., a California corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Co-Secretary

NV5 WEST, INC., a Delaware corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Assistant Secretary

NV5, INC., a Delaware corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Co-Secretary

NV5 NORTHEAST, INC., a Delaware corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Assistant Secretary

NV5, LLC, a North Carolina limited liability company

By: /s/ Richard Tong
Name: Richard Tong
Title: President

GUARANTORS (CONTINUED):

NV5 CONSULTANTS, INC., a Massachusetts corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: Executive Vice President

NV5, INC., a New Jersey corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Co-Secretary

SEBESTA, INC., a Minnesota corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Co-Secretary

DADE MOELLER AND ASSOCIATES, INC., a North Carolina corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Co-Secretary

J.B.A. CONSULTING ENGINEERS, INC., a Nevada corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Co-Secretary

HANNA ENGINEERING, INC., a California corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Co-Secretary

GUARANTORS (CONTINUED):

Bock & Clark Corporation, a Delaware corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Co-Secretary

Bock & Clark ACQUISITION Corporation, a Delaware corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Co-Secretary

Bock & Clark Environmental, LLC, an Ohio limited liability company

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Co-Secretary

CIVILSOURCE, INC., a California corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Co-Secretary

HOLDREGE & KULL, CONSULTING ENGINEERS AND GEOLOGISTS, a California corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Co-Secretary

RICHARD D. KIMBALL CO., a Massachusetts corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Secretary

GUARANTORS (CONTINUED):

CHI ENGINEERING SERVICES INCORPORATED, a New Hampshire corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Secretary

NV5 ENGINEERS AND CONSULTANTS, INC., a North Carolina corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Secretary

geospatial holdings, inc., a Delaware corporation

B By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Co-Secretary

AERO-METRIC HOLDINGS CORP., an Indiana corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Co-Secretary

QUANTUM SPATIAL, INC., a Wisconsin corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Co-Secretary

THE SEXTANT GROUP, INC., a Pennsylvania corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Co-Secretary

GUARANTORS (CONTINUED):

ALTA ENVIRONMENTAL, L.P., a California limited partnership

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Secretary

GEODESIGN, INC., a Oregon corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Co-Secretary

WHPACIFIC, INC., a Alaska corporation

By: /s/ Richard Tong
Name: Richard Tong
Title: EVP and Co-Secretary

ADMINISTRATIVE AGENT:

BANK OF AMERICA, N.A., as Administrative Agent

By: /s/ Joan Mok
Name: Joan Mok
Title: Vice President

LENDERS:

BANK OF AMERICA, N.A., as a Lender, L/C Issuer and Swingline Lender

By: /s/ Julia Rocawich
Name: Julia Rocawich
Title: Senior Vice President

PNC BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ James Cullen
Name: James Cullen
Title: Senior Vice President

WELLS FARGO BANK, N.A., as a Lender

By: /s/ Nicholas DiPierro
Name: Nicholas DiPierro
Title: Vice President

SYNOVUS BANK, as a Lender

By: /s/ Michael Sawicki
Name: Michael Sawicki
Title: Director

TD BANK, N.A., as a Lender

By: /s/ Craig Welch
Name: Craig Welch
Title: Senior Vice President

WOODFOREST NATIONAL BANK, as a Lender

B By: /s/ NSC Maguana Jean
Name: NSC Maguana Jean
Title: Senior Vice President / RM

FIRST HORIZON BANK, as a Lender

By: /s/ Dilian Schulz
Name: Dilian Schulz
Title: Senior Vice President

BANCO DE SABADELL, S.A., as a Lender

By: /s/ Ignacio Alcaraz
Name: Ignacio Alcaraz
Title: Head of Structured Finance Americas

Exhibit 31.1

CERTIFICATION

I, Dickerson Wright, certify that*:*

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended March 28, 2020 of NV5 Global, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2020

/s/ Dickerson Wright

Dickerson Wright
Chairman & Chief Executive Officer,
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, Edward Codispoti, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended March 28, 2020 of NV5 Global, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2020

/s/ Edward Codispoti

Edward Codispoti
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of NV5 Global, Inc. (the "Company") on Form 10-Q for the quarter ended March 28, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Dickerson Wright, Chief Executive Officer of the Company, and Edward Codispoti, Chief Financial Officer of the Company, each certify, to the best of his knowledge, pursuant to Rule 13a-14(b) or 15d-14(b) of the Securities Exchange Act of 1934, as amended, and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2020

/s/ Dickerson Wright

Dickerson Wright
Chairman & Chief Executive Officer

Date: May 7, 2020

/s/ Edward Codispoti

Edward Codispoti
Chief Financial Officer

This certification accompanies this Quarterly Report on Form 10-Q pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by such Act, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent the Company specifically incorporates it by reference.

A signed original of this written statement required by Rule 13a-14(b) or 15d-14(b) of the Exchange Act and Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.