

Network for Success

Local Programs Workshop



BREAKOUT SESSION – GROUP 2
Track A – Consultant Selection/PE
Wednesday, September 25, 2013
3:00pm – 5:00pm

Network for Success

Local Programs Workshop



You Need a Consultant for PE?

September 25, 2013

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What Are Professional Services?

Code (VPPA) defines 12 areas as Professional Services:

- **Accounting, actuarial services, architecture, land surveying, landscape architecture, law, dentistry, economist, medicine, optometry, pharmacy and professional engineering.**

Examples of Professional Services:

- **NEPA Environmental Studies; Bridge safety and construction engineering inspections; Geotechnical; Hydrologic and hydraulic studies; Right of way engineering; Engineering and design related services directly related to a highway construction**

What Are Professional Services?

- **Qualifications based selection process**
- **Procurement methods employ the use of an RFP**
- **Employ the use of a selection committee or panel**
- **Employ the use of scoring criteria**
 - based on facts as presented in the offerors' proposal**
- **Professional services price is not evaluated**
 - price is considered after one offeror is selected**
- **Actual Cost plus FAR overhead and Net Fee**
- **SWAM/DBE is included in the RFP, but is not scored; Goals are stated or we believe this project supports ____% DBE participation.**

Procurement Resources

- **Must follow VDOT's 2009 Manual for the Procurement and Management of Professional Services (FHWA approved)**
 - The Manual is available on VDOT website:
<http://www.virginiadot.org/business/gpmmps.asp>
- **Otherwise, develop and utilize your own procurement guidelines that are approved by VDOT and FHWA.**
- **Federal Reference – 23 CFR 172**
- **Locally Administered Projects (LAP) Manual also refers to VDOT's 2009 Manual for the Procurement and Management of Professional Services (FHWA approved)**
 - The LAP Manual is available at:
http://www.virginiadot.org/business/locally_administered_projects_manual.asp

Procurement Resources

- **As the recipient of the state or federal funds, all applicable federal and state requirements, including state and federal procurement and civil rights laws apply in regard to Local Administration.**
- **Strongly encourage coordination with VDOT during consultant procurement to ensure that all requirements are met.**
- **Request for Proposals must be reviewed by VDOT Civil Rights Division prior to advertisement.**

Design Resources

AASHTO Standards

- **A Policy on Geometric Design of Highways and Streets, 2011 – Commonly referred as the “Green Book”**
- **Guide for the Development of Bicycle Facilities, 2012**
- **Guide for the Planning, Design and Operation of Pedestrian Facilities, July 2004**

VDOT Standards

- **Road Design Manual, Appendix A can be accessed at http://www.extranet.vdot.state.va.us/locdes/Electronic_Pubs/2005%20RDM/RoadDesignCoverVol.1.pdf**

MUTCD, 2009

- **http://mutcd.fhwa.dot.gov/pdfs/2009r1r2/pdf_index.htm**

Design Resources

ADA Standards

- **Proposed Accessibility Guidelines for Pedestrian Facilities in the Public Right-of-Way , July 26, 2011 can be accessed at <http://www.access-board.gov/guidelines-and-standards/streets-sidewalks/public-rights-of-way/proposed-rights-of-way-guidelines>**
- **Chapter 3 – Technical Requirements can be accessed at <http://www.access-board.gov/guidelines-and-standards/streets-sidewalks/public-rights-of-way/proposed-rights-of-way-guidelines/chapter-r3-technical-requirements>**
- **Design Exception CAN NOT be granted for substandard sidewalk width!**
(4 feet is the minimum width; certain conditions apply)
- **ADA IS NOT A CHOICE, IT IS THE LAW!**

Design Resources

ADA Standards

- **Alteration vs. Maintenance Activities -**
- **Department of Justice/Department of Transportation Joint Technical Assistance on the Title II of the Americans with Disabilities Act Requirements to Provide Curb Ramps when Streets, Roads, or Highways are Altered through Resurfacing, July 8, 2013**
- <http://www.ada.gov/doj-fhwa-ta.htm>
- http://www.fhwa.dot.gov/civilrights/programs/doj_fhwa_ta.cfm
- http://www.fhwa.dot.gov/civilrights/programs/doj_fhwa_ta_glossary.cfm

Design Process

Environmental Permit / Documents

- Know the Requirements / Process
- Project Coordinator can provide you the District Expert for Guidance

Public Involvement Process for Transportation Projects

- Know the Requirements / Process
- Holding a Public Hearing as part of the City Council meeting or BOS meeting does meet the requirements for Transportation Projects
 - except where there is an EA or EIS, then a separate hearing or willingness is required (LAP Manual see section 12.4.1)
- [http://www.virginiadot.org/business/resources/LocDes/Public Involvement Manual.pdf](http://www.virginiadot.org/business/resources/LocDes/Public%20Involvement%20Manual.pdf)

Design Exception / Design Waivers

Design Exceptions are required

- **When design criteria fall below minimum AASHTO Standards**

Design Waivers are required

- **When design criteria meets AASHTO minimum Standards, but fall below VDOT Road Design Manual Standards**

Examples: Intersection Sight Distance and Sidewalk Width

- **DO NOT APPLY TO LOCALLY MAINTAINED ROADWAYS**

Instructional & Information Memorandum (IIM-LD-227)

- **Provides information on both Design Exceptions and Design Waivers and can be accessed at**

http://www.extranet.vdot.state.va.us/locdes/electronic_pubs/iim/IIM227.pdf

Defining the Scope of Work

- **Type of Contract**
 - project specific**
 - multi-phase**
 - limited service term (on-call)**
- **Firms to demonstrate they are most qualified**
- **Keep it simple**
- **Use your in-house experts to develop the scope**
 - include a review by staff outside project team**
- **Clearly identify services needed**
 - avoid exhaustive lists**
 - describe any resource material that will be available**
- **Do not request proposal cost/price information with response to RFP**
 - price is considered after one Offeror is selected**

Developing the Request for Proposals

- **Use an RFP template**
 - has been through content and legal reviews**
 - allows consultants to demonstrate their expertise and add value to your team**
 - is standardized for all types of professional services**
- **Allow appropriate time for a well-prepared and professional solicitation to be developed**
- **Have VDOT review your RFP prior to issuance**
 - local Program Manager as resource**
 - ensures latest versions of federal requirements are used**
- **Local Administered Project (LAP) Manual also refers to the VDOT's 2009 Manual for the Procurement and Management of Professional Services (FHWA approved)**

Developing the Request for Proposals

The RFP should include:

- **Scope of Services/Purpose**
- **Proposal Preparation and Submission Requirements**
- **Type of Contract**
- **If multiple awards will be made**
- **Evaluation and Award criteria, to include scoring**
- **Estimated project timeline**
- **Location of project**
- **Reference request/form**
- **General Terms and Conditions**
- **Special Terms and Conditions**
- **Federal requirements**
- **Contact and response information**

Selection Committee for Evaluating the Request for Proposals

Selection Committee Chairs

- **Have a consistent group of chairs**
- **Most familiar with processes and procedures**

RFP Inquiries

- **Only the Chair should respond to inquiries**
- **Shall only give information of a general nature so no consultant has an advantage over another**
- **Request inquiries be placed in writing for clarity**

Selection Committee Members

- **Have experience/familiarity with services being solicited**
- **Will be involved in project after selection is made**
- **Have same evaluation team at all interviews**

Ranking the Firms

Some criteria you can consider:

- **Expertise**
- **Project Understanding**
- **Schedule – can they perform?**
- **Prior Experience (firm and/or individual staff)**
- **References**
- **Licensing and registration as appropriate**

Process:

- **Written proposals**
- **Interview process**

Professional Services - The Interview

- **Consultant presents “benefits” to the agency versus “features” in the qualifications package**
- **Consultant answers the question, “How can my experience and approach benefit the agency?”**
- **Agency able to answer the question, “Which consulting firm is the most qualified for my project(s)?”**
- **Subjective elements to this process, but necessary to create a ranking**

Professional Services “On-Call” Type Contracts – Locality Perspective

Benefits of Utilizing On-Call or Task Order Type Contracts

- **Procure consultants once, but available for multiple projects and project phases – saves time and resources**
- **Federal requirements established and procurement compliance reviews complete**
- **Locally administered projects may be smaller**
- **Able to still utilize VDOT administration for larger projects, or procure project-specific contracts as needed**
- **Be aware of procurement limitations**

Professional Services “On-Call” Contracts – Locality Perspective

(Continued)

- **Contracts length one year, with up to 4 additional years renewal**
- **Have multiple types of consultants for most flexibility and ability to reach industry experts**
- **Consider awarding multiple contracts for an RFP**
- **Stagger the terms of your consultants**

Types of Contracts

- **Project Specific**
 - **Contract provides for all work for a specific project**
 - **Fixed scope of work with defined deliverables**
- **Multi-Phase**
 - **Contract includes provisions for future phase**
 - **Language must be included in RFP**
 - **Fee to be negotiated at a later date**
 - **No guarantee of future phase award**
- **Limited Service Term (On-Call)**
 - **Not project specific**
 - **Smaller projects**
 - **Helps reduce cost of advertising and hiring consultants**
 - **Does not guarantee any work**
 - **May have multiple awards**

Types of Compensation

- **Lump sum**
 - **Compensation based on services in MOA**
 - **Well defined scope, complexity, and duration**
 - **Subconsultant lump sum while prime is Cost Plus**
- **Cost per unit of work**
 - **Paid on basis of work performed**
 - **Cost of the work per unit determined**
 - **Extent of work is indefinite**
- **Cost plus net fee**
 - **Reimbursed for incurred costs plus predetermined fixed amount as net fee**
 - **Scope, complexity, and duration not clearly defined**
- **Fixed billable rates**
 - **Specific fixed hourly or daily rates based on employee classification**
- **Percentage of Construction**
 - **Correlation of design cost to construction cost**
 - **NOT ALLOWED IN VIRGINIA**

Pre-Award Audit

- **Conducted once agreement on man-hours and costs finalized**
- **Documentation sent to Local Liaison and forwarded to E&CA**
 - **Direct labor**
 - Labor rates match payroll records
 - **Overhead rates**
 - Ensures costs are representative of actual costs of the consultant
 - FAR Audit prepared by independent CPA annually
 - If no FAR, capped at 75 percent
 - **Non-Salary direct cost**
 - Travel, reproduction, computer rental are reasonable
 - **Net fee**
 - Reasonable and within VDOT guidelines
 - 8 to 12 percent – must have justification if over 10 percent
 - Capped at 156 percent overhead
 - **Contingency**
 - Normally 5 percent of loaded labor and direct expenses
 - **Total maximum compensation**
 - Includes total of all costs

Pre-Award Audit – Common Mistake

Engineer 1

Jane Doe \$25.50

John Smith \$23.45

Joe White \$36.00

AVERAGE = \$28.32

- However, the salary range is too great. Joe White's salary is greater than 1.5 times that of the lowest salary - \$35.18 is the max for Joe.
- Therefore, if Joe White remains then his salary is capped at \$35.18 and the average must be recalculated as follows:

Engineer 1 (Revised)

Jane Doe \$25.50

John Smith \$23.45

Joe White \$35.18

AVERAGE = \$28.04

You Need a Consultant for PE?

QUESTIONS???

You Need a Consultant for PE?

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