

District Consultant CEI Managers Meeting
February 15 & 16, 2006 in Orlando, FL

February 15, 2006 – 10:00 am to 6:00 pm

The group decided that they would prefer to meet face to face, twice a year.

Brian discussed the impacts of increased costs in bids due to increased work program and material shortages, and that the Department is looking at having an overall contract price index instead of on certain individual items. Also, the Department has rejected some bids because they are too high, which sometimes requires consultant contract adjustments.

1. Staff hour estimates for CEI
 - Louis Reis discussed developing staff hour estimates for CEI. Some years ago the Department developed staff hour estimates and a standard scope for Design and PDE. Each item of scope has a staff hour amount for the Design basis of estimate and it is written to meet 80% of the projects. It is posted on the Project Management website (www.dot.state.fl.us/projectmanagementoffice/ssshe.htm) and is now a web-based application. The consultants and FDOT both agreed that it is a beneficial tool and Ananth is ready to apply it to CEI. Stefanie Maxwell will be the chair of the group for developing staff hour estimates for CEI. The group to develop this task will consist of one person from each district and an equal number of consultants. It should make future negotiations easier and make it more standard for districts. A suggestion was made to include someone from each district's PSU as part of the group. Lou encouraged an overnight stay for the meetings so people could discuss the meeting afterwards. **Action item: Stefanie will set up meetings for the group.**
2. LS CEI contracts update
 - Marnie Parry discussed the four audited LS CEI contracts. Marnie provided handouts showing the comparison of negotiated vs. actual costs for the four contracts. The audits should be used as a tool to negotiate better and possible share the savings if they get to some point. **Action item: The Department will audit more LS CEI contracts and Marnie will send out the negotiating tips from the last meeting.**
3. The districts shared D/wide Salary averages.
4. The districts provided copies of CCEI Work Program.
5. The CEI Cost report by District is on the State Construction website.
6. Role of the Consultant CEI and the Construction Project Manager
 - Carrie has comments and will get with Janet. **Action items: Janet will send the final version to Stefanie. Stefanie will get with Brian to determine whether to implement it by writing a DCE memo or just by an update to the CPAM.**
7. Construction Project Manager Training
 - The Department would like to get Lee to provide this training in the future for CEI Managers at three different locations if possible. **Action items: Bill will approach Lee about the training. Stefanie will invite Louis to the training.**
 - Louis informed us that the Project Management office is working on computer based Project Management training.
8. General CEI Issues
 - All districts are having moving letting dates.
 - D3: LS CEI Guidelines – weather days are greater in this district and the weather days are causing the contracts to be renegotiated. May need to adjust higher for the

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amount of weather days in D3. No language to address hurricanes. Guidelines need to be modified for clarification. If D3 has to renegotiate they want to amend with a LS amendment not cost plus. CEI's have the potential to reward themselves by giving weather. Suggested a cost/day if go over/under the 20 %.

- D7 uses an average daily rate including weather.
 - According to Greg Schiess it takes more of a hands-on project manager on LS CEI than on cost plus fixed fee.
 - D6: WP is reducing phases 62 and 61 to increase phase 52.
 - Almost all districts are negotiating rates.
9. Consultant Eligibility
- Discussed draft consultant eligibility guidelines and that GEC guidelines being developed. **Action item: SCO to discuss the certification requirement with the State Procurement Office. When the Consultant Eligibility is approved, put it in the ad and in the RFP language.**
10. General discussion that consultants are concerned about job hopping, conflict of interest, GEC competition, and CQC.
11. Scope of Services issues and future changes:
- Steve Plotkin requested adding: SSPC course: C-12 Bridge Coating Inspection (If applicable) for Senior Inspector – required to meet spec requirements.
 - Definition of Landscape Architect – **Action item: Carrie will send Stefanie the language.**
 - Offer of Final Payment – CEI's are concerned about the liability, certifying contractor quantities. The use of the traffic control officer is for the three conditions and to comply with plan notes only. D5: Jonathan cannot get FHP on I-4 and I-95.
 - Geotechnical Engineer – review to determine if there is an overlap with CQC duties.
 - Inspection Services Only language –Specify that it is a hybrid or full-service contract. Advertise as inspection only and use standard scope. **Action item: Janet will send draft language to Dave.** D3 & D7 just advertises as Districtwide CEI with the standard scope.
 - Remove the Final Estimates Level I for Asphalt Plant Inspectors from the scope.
 - For survey crew: change to 2 or 3 man crew because we do not approve each person, just the crew.
 - Stronger language in scope to close out contract with CEI – **Action item: Jonathan to draft language.**
 - FL Stormwater language should go under inspector certifications.
 - Add CTQP requirements from Greg Schiess
 - What if do not get enough letters of interest, procedure requires no fewer than 10. Some PSU's are requiring PM's to call to get 10 on the list. D3's PSU calls to get a third letter if only receive two.
 - Section 4 of Scope item Q – take underline off of period.
 - Section 6.2 of Scope fourth paragraph needs to be fully right justified.

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February 16, 2006 – Begins at 7:30 am to 3:00 pm

1. LSCEI
 - The districts may request, and Kim Smith will help with the negotiations.
2. Standard job class list
 - **Action item: Carla will add CEI in front of every designation in the scope of services. Action item: The districts are to send any position with definitions for Carla to add.** It will be in the next version of the AFP. **Action item: The districts need to instruct the consultants to pull down the latest version.**
3. % expense that is included in contracts for field offices
 - Kim Gutierrez asked should there be a minimum? Per Carla, award additional operating margin to offset the low direct expense, or you can do a paperless amendment in CITS, if the option is in the contract.
4. Florida Statute 112.3185
 - It does not apply to state employees going to work with established firm only if the individual starts their own business. It is not the hourly rate, it is the yearly salary, and for only one year.
5. CEI's to provide Full Time Equivalent (FTE) from actual hours billed
 - DFS as a result of agent of the state is adjusting liability insurance for consultants doing business as agents of the state. **Action item: Terry will send out a letter requesting FTE's from the consultant and copy in the CEI Managers.**
6. Annual escalation of rates
 - You can tie it to an index, like the Consumer Price Index (2 different ones) is updated monthly and offer that at the time of the contract up to a maximum of 5%. Carla provided a handout giving instructions on how to get more info on the CPI. Most districts are just using 3% all the time and some use the benchmark of what the legislature gives the Department.
7. Annual changes to contracts based on new Lorraine Odom letter vs. it stays the same through the life of the contract
 - See item #2 above. OH has leveled off in the past few years. Direct expense is pretty level also even with only 3 years of data.
8. Overall do we know if our new Mutual Gains approach has made any difference with margin only being applied to unloaded salaries? Is it costing more or less?
 - All but two states impose caps on OH due to federal law. No identifier to distinguish between home office and field office overhead, so the numbers are combined – average 150. Terry shared the statewide FCCM, Operating margin, OH, expenses and multipliers. Terry will send out a detailed spreadsheet to the districts.
9. Overall has anybody come up with innovative approaches to bring new people to the CEI industry?
 - Using inspector aides to help with this.
10. Statewide Wage Rates on infonet for data from Sept 22, 2005 and thereafter
 - Go to Procurement intranet, Professional Services, PSIS Report, AFP Jobclass Wage Reports, Display Jobclass Wage Rates. Per Terry Cappellini, you can negotiate classification rates but you cannot cap the rates. Use reasonable market rates.
 - You can also check the consultant grades if you select the District Grades by Type of Work tab on the Procurement Professional Services Menu.

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11. Should we evaluate CEI subconsultants on quality?
 - No, the subs should get the same grade as the prime gets.
12. Acquisition of professional services Topic No.: 375-030-002-i - Jonathan
 - 10.2 Submittal of Draft Scope: Blanket FHWA approval for using Sr. Project Engineer – **Action item: Greg Schiess will review and determine whether to delete this paragraph.**
 - Shortlist does not match our consultant eligibility – Carla will modify the procedure to match the Consultant Eligibility when approved. For the shortlist, you can move forward with two if a call is made to 10 firms or an e-mail is sent to all eligible firms with a timeline to respond. It is PSU's responsibility to call or send out the e-mail. Make sure you document if the firms are interested or not. If only one letter is received, contact legal.
13. Updated gasoline costs
 - Carla provided handout for updated costs for projects negotiated prior to October 2003 supplemental amendments or contracts that do not have a direct expense percentage.
14. Proposed changes to the Action Request Form (Jonathan and Janet)
 - **Action item: Janet will modify this form and send to Stefanie.**
15. Consultant Grading Update
 - The rule should be adopted in March. We will have a dual system to allow the consultants to get re-qualified for the new work types until July 1, 2006. **Action item: Stefanie will send out the new categories of qualification when the rule is approved.**
16. General discussion on DBE participation (anticipated vs. actual) on CEI contracts.