

DISTRICT CONSULTANT CEI Managers Meeting
MINUTES
Wednesday, May 2, 2007 - 8:00am – 5:00pm

I. SCOPE OF SERVICES (SOS)

- Update to Section 6.2 - Office Automation (Stefanie Maxwell – open SOS for review by group) **Action item: Stefanie to talk to Zach about comments in Scope.**
- Any changes to 6.5 – Field Equipment (Stefanie Maxwell – open SOS for review by group) – no changes.
- CPM Scheduling (Carrie Stanbridge) – **Action item: Carrie to provide language for scope.**
- Comments from FICE (Brian Blanchard) – None yet.
- Surveying – reestablishment of the ROW with monuments (Carrie Stanbridge) – Statewide initiative to require ROW monuments on new corridors. **Action item: Matt will send language that he uses to the group.** Maybe require the contractor to do this instead of the CEI – Section 5-7.4. D6 is using a plan note to require the contractor to do it. **Action item: Carrie has requested additional information from Jimmy Pittman and will share it with the group. Action Item: Brian will look into this more and requiring the contractor to do it.**
- Discuss position descriptions – Review **Appendix I** titled “Misc CCEI Position Descriptions” (Carrie Stanbridge) – **Action items: Group is to review these descriptions in the Appendix I and send back comments to Stefanie by May 30. Stefanie will post on the SCO website separate from the SOS. After receiving the approved list, Stefanie will put CEI in front of all positions (standard and miscellaneous) and pass this list on to Carla for her to update the AFP.**

II. SETTLEMENT AGREEMENTS WITH CCEI'S (Janet Cook)

- Input provided by each district

III. SHARING SHORT LIST/FINAL SELECTIONS (Kim Gutierrez & Janet Cook)

- To help identify staffing conflicts. There is no master list to share with the other districts. The districts are looking for an efficient way share this information. **Action item: Matt will request this report on his list for Carla. Jonathan will build a database and put on infonet in the interim.**

IV. TASK WORK ORDER CONTRACTS (Carrie Stanbridge)

- New method of pre-programming the money – Some districts are having some problems with this.

V. ANALYZING PAY ITEMS TO DETERMINE INSPECTION NEEDS/STAFF HOURS (Kim Smith)

- For Lump Sum Consultant Construction Engineering and Inspection (LS CCEI), the State Construction Office (SCO) needs the schedule from the district to evaluate staff hours for FHWA approval. Kim Gutierrez shared that the LRE has detailed information that Kim Smith can access to help with his review. **Action item: Kim Smith will send a LS CCEI D3 example format to the group (FDOT-DISTCEI).**

VI. QUALIFICATIONS/EXPERIENCE (Kim Smith, Kim Gutierrez)

- Should Senior Inspector be required to have all qualifications, for example, if you have a roadway project and no bridge work, are the bridge qualifications required? – The Scope of Services (SOS) has been modified to show applicable qualification requirements.
- Additional experience requirements for Sr. Project Engineers and Project Administrators. Several people in our district would like to see the minimum years/level of experience increased; others feel this would tie our hands in filling needed positions. What is the opinion of the districts?

VII. EMBEDDED DATA COLLECTORS (EDCs) FOR TEST PILES (Kim Gutierrez)

- How are the districts addressing the monitoring for the devices (CEI Contract, Lab Contract)? Need to check construction contract. There are 2 versions of the spec out now. Even when the contract requires the contractor to hire the engineer, some districts geotechnical personnel are requesting that the CEI provide an engineer as well. According to David Sadler: For the jobs that have PDA test piles as well as EDC, the FDOT will be responsible for collecting the data. For the jobs that are 100% EDC, the specification requires the contractor to hire a specialty engineer to collect the data from the EDC.
- How many technicians are actually needed? If the contract requires both PDA and EDC, it will require two technicians.
- Lab says there is currently only one firm authorized to perform the data collection. This is true and it is a developmental spec.

VIII. CONSTRUCTION PROJECT MANAGER TRAINING

- Will be provided by Jim Hubbard and Lee Spitzkopf at a session of the Project Management Conference on June 6-8 in Orlando at the Caribe Royale – recommend all CEI Managers and Project Managers to attend. **Action items: If any of the group has a topic to be covered at the conference send to James Hubbard by Monday, May 7, 2007. Brian will send out an e-mail to the Directors requesting attendance at the conference.**

IX. PUBLIC PRIVATE PARTNERSHIPS (Brian Blanchard)

- Update on where we are – the Department is trying to standardize the PPP documents. Looking at the Independent Engineer concept for now.
- Conference – July 11, 2007 – Tampa Convention Center – Brian encouraged each of the CEI managers to attend.

X. ROLE OF THE CEI AND CPM

- The CEI does not have authority to approve shop drawings. The EOR is the person responsible for approving shop drawings. Neither the CEI nor the EOR have the authority to approve shop drawings that are in direct conflict with the Design Standards.
- Role of the CPM handout from Janet – **Action item: Stefanie will put in CPAM after Greg Schiess approves. If it is part of an existing chapter use a bulletin.**

XI. CONSULTANT ELIGIBILITY

- Will be a Directive separate from the Consultant Acquisition procedure. **Action item: Stefanie will have Zach post it on SCO website.**
- Certification requirement is not in the directive. It is assumed that the Consultant does not have a conflict unless they ask. According to Carla, the directive will go out for review in approximately six to eight weeks. The Consultant Eligibility was effective May 2006

XII. 30 days pre and post – not automatic (Kim Smith)

- 30 day project example. Each district agreed that 30 days pre and post was standard for full CEI and that these days would be reduced on hybrid projects or short duration projects.

XIII. DISCUSSION OF ISSUES WITH TERRY CAPPELLINI AND CARLA PERRY

1. Proposals from Negotiations Task Team (Jonathan Duazo and Jim Hubbard)

- Review **Appendix II** titled “Negotiations Task Team Status Report 3-26-07” at the end of this agenda.
- Review **Appendix III** titled “April Negotiations Task Team Agenda” at the end of this agenda.
- Update on the Direct Expense Reimbursement Policy Group - Request from FICE to remove the field office rent and utilities from Direct Expense. These cost will be reimbursed directly on the contract or by the contractor. Per Terry, keep the rent and utilities as actual expense and request receipts monthly. This has already been implemented.
- Update on the Escalation & Salary Group – Up to 5% is allowed by the contract. There is a proposal for 3 to 5%.
- Update on the Operating Margin Calculation & Guidelines Group - Revamping the operating margin guidelines and Jonathan will join the group.

2. “DOT Project Manager” vs. “Construction Project Manager” field in PSI

- Is this the same person? Define the two if not. Review **Appendix IV** titled “CEI Grades” at the end of this agenda. **Action Item: Stefanie will have Carla suppress the DOT Project Manager field in PSI.**

3. Discuss CEI Expense Percent Issues (Kim Gutierrez)

- Review **Appendix V** titled “CEI Expense Percent Issues” at the end of this agenda.

4. Requested change to CEI Evaluation form (Janet Cook)

- Revise Cat. A.3. "Performed QC/QA inspection of staff to ensure the Department needs were being met and communicated findings with Department CPM. Took appropriate actions as necessary." This contains two extremely important criteria and blends them into a single evaluation score. I don't see how they are related. A firm can fail to perform their QA reviews while still keeping good communication on all other aspects of their contract. The QA requirements are spelled out in detail in the Scope of Services and I would like to see this requirement as a stand alone evaluation category. **Action Item: Stefanie will notify Kurt Leiblong of the change to the form above and Carla will notify Robert Skoglund.**

5. **DBE (Carrie Stanbridge)**
 - Tracking Actual vs. Commitment – According to Terry it is not a commitment, it is anticipation.
6. **MISCELLANEOUS DISCUSSION (Matthew Price)**
 - Salaried employees billing over 40 hours across Districts – If an employee is a salaried employee, the Consultant is to use an effective rate or double entry accounting.
 - Tracking project personnel so we do not take project personnel from each other – This is currently done by e-mailing the other districts.
 - Feedback on the new CEI Evaluation Form – 3 is acceptable and Consultants should not be upset with it.
 - How can we get CITS to run reports? **Action item: The group is to send report requests to Matt by May 18, and he will compile and send to Terry.**
7. **FINALIZE LUMP SUM CEI GUIDELINES**
 - Review example
8. **Prequalification**
 - Use of Group 99 when no one is prequalified. No one is qualified in Group 10.7 – Movable Bridges. Primes can sub out this work when using Group 99.
9. **Definitions of Full Service, Hybrid, Task Driven (Janet Cook) – Agreed upon definitions for the evaluation form**
 - Conventional = "Full Service" CCEI, which includes basically most or all of the positions detailed in the "boilerplate" CCEI Scope of Services – such as CCEI Senior Project Engineer, CCEI Project Administrator, CCEI Contract Support Specialist, CCEI Senior Inspector, CCEI Inspector, CCEI Asphalt Plant Inspector, CCEI Inspector Aide, Survey Party, Public Information, Compliance, Clerical Support, etc.
 - Hybrid = Can be any combination of consultant and in-house staffing. Typically, it is CCEI Inspection staff only.
 - Task-Driven = Assignments made via Task Work Orders, through District Wide or GEC type Agreements. The Scope and Method of Compensation for Task-Driven agreements are different from the Conventional or Hybrid types.

APPENDIX

I. MISC CCEI POSITION DESCRIPTIONS

The following position descriptions may be included in Section 10.0 Personnel of the Scope of Services as necessary.

ARCHITECT- Registered as an architect in accordance with Florida Statute 481 and four years of experience as a registered architect. Qualifications include the ability to communicate effectively, review architectural plans and specifications. Plans and organizes staff; develops and reviews policies and reviews programs for conformity with Department standards. A master's degree may be substituted for two years experience. (This position is not eligible for straight or premium overtime pay.)

ASPHALT PLANT INSPECTOR- High School Graduate or equivalent plus one (1) year experience in the surveillance and inspection of hot mix asphalt plant operations and have the following:

Qualifications:

CTQP Asphalt Plant Level I

CTQP Asphalt Plant Level II

BRIDGE PAINTING AND LEAD ABATEMENT- Senior Bridge Inspector requirement PLUS:

N.A.C.E. Session 11, Coating Inspection Training*

S.S.P.C. Lead Abatement Course*

B.C.I. (Bridge Coating Inspector) **Should this be a requirement, if so discuss availability**

These courses may be substituted with other of equal content

CASTING YARD ENGINEER/ MANAGER- (Concrete Post-Tensioned Segmental Box Girder Bridges (CPTS)) Must be a registered Professional Engineer in the State of Florida (or if registered in another state, have the ability to obtain registration in Florida with 6 months) with a minimum of one (1) year, or non-registered with a minimum of three (3) years of experience with the use of geometry control computer programs and with the performance of surveying procedures required for the production of precast concrete box segments at a casting yard.

GEOTECHNICAL ENGINEER- Registration in the State of Florida Board as a Professional Engineer plus four (4) years of experience as a Geotechnical Engineer in responsible charge of the geotechnical work on at least two major bridges with drilled shaft or pile foundations (whichever is appropriate). Shall have experience using drill shaft inspection device and osterburg cells in conjunction with load tests on drilled shafts or experience using the Pile Driving Analyzer (PDA), CAPWAP and WEEP programs for pile analysis. (This position is not eligible for straight or premium overtime pay.)

GEOTECHNICAL TECHNICIAN- High School Graduate plus three (3) years of experience working under a Geotechnical Engineer setting up instrumentation and monitoring geotechnical work. Able to perform detailed calculations and follow detailed technical instructions.

SENIOR ITS INSPECTOR- High School graduate or equivalent plus four (4) years of experience in construction inspection, two (2) years of which shall have been in ITS construction inspection plus the following:

Qualifications:

Fiber Installation Inspection and OTDR Fiber Testing

DMR Operation and Testing

Controller Operation and Testing

CCTC Installation, Operation and Testing

Familiarity with Existing Communication Equipment and Switches

Certifications:

IMSA Level II

Or a Civil Engineering Degree and one (1) year of ITS CEI experience.

Responsible for performing highly complex technical assignments in fields surveying and construction layout, making and checking engineering computations, inspecting construction work and conducting field tests and is responsible for coordinating and managing the lower level inspectors. Work is performed under the general supervision of the Project Administrator.

ITS INSPECTOR- High School Graduate or equivalent plus two (2) years of experience in construction inspection, one (1) year of which shall have been in ITS construction inspection, plus the following:

Qualifications:

Fiber Installation Inspection and OTDR Fiber Testing
DMR Operation and Testing
Controller Operation and Testing
CCTC Installation, Operation and Testing
Familiarity with Existing Communication Equipment and Switches

Certifications:

None
Or a Civil Engineering Degree

Responsible for performing assignments in assisting Senior Inspector in the performance of their duties. Receive general supervision from the Senior Inspector who reviews work while in progress. Civil Engineering graduates must obtain certifications within the first year of working as an inspector or Engineer Intern. Exceptions will be permitted on a case-by-case basis so long as qualifications and certifications are appropriate for specific inspection duties.

SOFTWARE ENGINEER- An Electrical Engineering Degree and five (5) years of experience in traffic signal design, analysis and implementation; software design analysis, programming and software/hardware and staging for traffic signal control system. (This position is not eligible for straight or premium overtime pay.)

COMMUNICATIONS ENGINEER- An Electrical Engineering Degree plus registration in the State of Florida as a Professional Engineer desirable and ten (10) years of experience involving computer controlled systems for computerized traffic signal systems. The experience should include design review, equipment specifications, installation supervision, equipment and reliability analysis. (This position is not eligible for straight or premium overtime pay.)

SYSTEMS TECHNICIAN- High School Graduate plus five (5) years of experience in Electronic Systems and/or Traffic Engineering technician level work, detailed experience and training in the use of Otter's and other equipment related to fiber optic communication testing. Requires certification of this training or equivalent training.

LANDSCAPE ARCHITECT- A Landscape Architect Graduate with the Florida State Board of Landscape Architecture. The individual must be skilled at plant identification, classification, and grades and standards for nursery plants as established by the manual "Grades and Standards for Nursery Plants: by the Florida Department of Agriculture and Consumer Services.

LANDSCAPE INSPECTOR- High School Graduate or equivalent plus five (5) years of commercial or roadway landscape construction experience or F.D.L.C. Certification plus two (2) years of commercial or roadway landscape construction experience or a degree in a related field plus three (3) years of commercial or roadway landscape construction experience. The individual must be skilled at plant identification, classification, and grades and standards for nursery plants as established by the manual "Grades and Standards for Nursery Plants" by the Florida Department of Agriculture and Consumer Services. The individual must be knowledgeable of current industry standards for landscape installation, including plans reading and irrigation system construction. The individual must have the ability to read and interpret contract documents. The individual will receive general supervision from the Senior Inspector who reviews work while in progress.

SENIOR ENVIRONMENTAL SPECIALIST- A Master's Degree in Environmental Science or equivalent and fifteen (15) years of professional experience and general background and knowledge in management and erosion control practices, environmental permitting, environmental assessments, wetland mitigation, and/or wildlife surveys as appropriate for the project.

Qualifications:

NPDES FDEP Qualified

Certifications:

FDEP

PROJECT ENVIRONMENTAL SPECIALIST- A Bachelor's Degree in Environmental Science and five (5) years of professional experience and general background and knowledge in wetlands ecology, environmental permitting, wildlife surveys, wetland assessment, mitigation and management, management and erosion control practices, and/or hazardous waste and oil spill remediation, site restoration, environmental audits, contamination assessments, soil and groundwater remediation, and underground storage tank services as appropriate for the project. For project work involving management and erosion control practices, the individual shall be a qualified FDEP Stormwater Management Inspection.

Qualifications:

NPDES FDEP Qualified

Certifications:

A Master's Degree may be substituted for two (2) years of experience.

ENVIRONMENTAL SPECIALIST- A bachelors degree with a major in one of the physical or natural sciences or engineering and two (2) years of professional experience in environmental protection, regulation or health; one of the physical or natural sciences; or engineering; or a Masters degree in one of the physical or natural sciences or engineering and one (1) year of professional experience described above; or a Doctorate degree in one of the physical of natural sciences or engineering or one (1) year of experience as an Environmental Specialist I with the State Of Florida. Receives general instruction regarding assignments and is expected to exercise initiative, and independent judgment in the solution of work problems. Must have knowledge of the terminology, principles, data collection, and analytical techniques and procedures of the physical or natural sciences. Also must have ability to collect, evaluate, analyze, and interpret scientific or technical data.

SITE HEALTH AND SAFETY MANAGER- Must have the necessary experience in confined space entry programs to oversee the work on and around confined spaces at the site and to train appropriate personnel involved with confined space entry in accordance with OSHA's 29 CFR 1910.146 Regulations. In addition, the Manager will be knowledgeable in atmospheric testing procedures and record keeping requirements, as dictated by the regulations. Permit Required Confined Space training will be conducted by a competent person capable of certifying that personnel have acquired the understanding, knowledge, and skills necessary for the safe entry into the confined spaces.

Qualifications:
NPDES FDEP Qualified

Certifications:
FDEP

PROJECT GIS ANALYST- A Bachelor's Degree in Environmental Science, Planning or Engineering and two (2) years of professional experience and general background and knowledge and experience providing GIS support for the related specialties described.

Qualifications:
NPDES FDEP Qualified

Certifications:
None

PUBLIC INFORMATION OFFICER- High School Graduate or equivalent and be knowledgeable in public information and/or advertising involving mass circulation or distribution of literature, mass advertising or other similar activities and performed such work for at least three (3) years.

RESIDENT COMPLIANCE SPECIALIST- High School Graduate or equivalent with one (1) year of experience as a resident compliance specialist on a construction project or two (2) years of assisting the compliance specialist in monitoring the project. Should have prior experience in both State and Federal Aid funded construction projects with FDOT and knowledge of EEO/AA laws and FDOT's DBE and OJT programs. Ability to analyze, collect, evaluate data, and take appropriate action when necessary. Must attend all training workshops or meetings for Resident Compliance Specialists as well as spend time at the District Compliance office as determined necessary.

SURVEY PARTY CHIEF- High School Graduate plus four (4) years of experience in construction surveying (including two years as Party Chief). Experienced in making highly complex assignments in field surveying and construction layout, making and checking survey computations and supervising a survey party. Work is performed under general supervision of the Project Administrator.

INSTRUMENT PERSON- High School Graduate plus three (3) years of experience in construction and field surveying, one year of which shall have been as an instrument person. The individual is responsible for performing assignments in assisting Party Chief in the performance of assigned duties. The individual receives general supervision from Party Chief who reviews work while in progress.

ROD PERSON / CHAIN PERSON- High School Graduate with some survey experience or training preferred. The individual receives supervision from and assists Party Chief who reviews work while in progress.

SENIOR INSPECTOR BUILDING STRUCTURES- High School Graduate plus eight (8) years of experience in construction inspection with four (4) years of experience in performing highly complex technical assignments in field surveying and construction layout, making and checking engineering computations, inspecting construction work and conducting fields tests. Senior Building Structures Inspector must be fully knowledgeable of all aspects of the building construction to include masonry work and familiarization with the local and State building codes and ordinances. Work is performed under the general supervision of the Project Engineer.

BUILDING INSPECTOR/ ELECTRICAL- High School Graduate plus five (5) years experience as a qualified building inspector or general contractor. Experience shall be actual field experience as a qualified building inspector or job superintendent. Inspector must be fully knowledgeable of all local and State building codes and ordinances.

UTILITY COORDINATOR - High School Graduate or equivalent and be knowledgeable of Department's Standards, policies, procedures, and agreements and shall have a minimum of four (4) years of experience performing utility coordination in accordance with Department's Standards, policies, procedures and agreements.

II. Negotiations Task Team Status Report 3-26-07

The Negotiations Task Team met held its fourth meeting in Tampa on March 8, 2007, at District 7 Headquarters. The Task Team Members who were present for the meeting were: Ed McKinney(D1), Roger Masten (D5), Jonathan Duazo (D5), Doug Geiger (RS&H CS), Charlene Cianci (subbing for Dewey Martin, PB), Ranae Dodson (D3), Jan Everett (URS), Manny Then (KHA), Morteza Alian (D4), Jessica Rubio (D4), Jim Hubbard (D7), Scott Blocker (D2), Isabel Sotolongo (D6), Dan Kelly (HNTB), and Rich Doyle (RTD). Also present in an advisory capacity were: Terry Cappellini (CO) and Carla Perry (CO).

No bridge line was reserved for this meeting. It was requested that a conference call line be reserved for future meetings.

The meeting was chaired by Ed McKinney, and Doug Geiger who was subbing for Dave Evans. Ed McKinney provided a re-cap of the previous Task Team meeting held on January 18th. The recap was: The Task Team ranked the issues of concern regarding FDOT negotiations practices, and voted for the top three action items for initial focus. Three sub-groups composed of Negotiations Task Team members were then formed to address each of the top three action items. The three sub-groups were: 1. The Department's Expense Reimbursement Policy; 2. Salary & escalation; and 3. Operating Margin Calculation & Guidelines. Each sub-group has a co-champion from FDOT, and a co-champion from FICE, and includes members from both the Department and FICE. The subgroups have each independently teleconferenced together to research their action item, fully define the problem, and develop an approach or proposed solution.

Each of the groups was requested to provide a progress update on their action item at today's meeting.

The progress report on the Direct Expense Reimbursement Group was summarized by Jonathan Duazo. The Direct Expense Group has already crafted a proposal for their action item. Their proposal is:

The Direct Expense Group recommends that the Department reimburse the costs of rent and utilities for field offices as a direct project cost, rather than through the field office direct expense percentage submitted annually as part of the reimbursement rate audit. In other words, exclude all field office rent and utilities costs from the calculated field office direct expense percentage.

The first step in implementation would be for FDOT OIG to exclude all field office rent and utilities costs from the calculated field office direct expense percentage, at the time of submittal of the annual reimbursement rate audit by the consultant firm. Utilities costs are defined as: electricity, gas, water, sewer and trash pick-up. Field office set-up and mobilization costs would also be excluded from the direct expense percentage. Once approved, this direct expense rate will be used to negotiate any new contract for which the Department approves the use of a field office facility and the consultant is paying the cost of rent and utilities for the field office. For monthly invoicing, the Department will accept invoices that include the costs of rent and utilities when supported by appropriate receipts, except for lump sum contracts. Rent and utility costs for lump sum contracts would need to be substantiated prior to contract execution. If the field office is provided through the construction contract or by the Department, the consultant does not incur rent or utilities costs, so they cannot be invoiced or booked.

No other direct expenses associated with the field office may be invoiced as separate items. These other direct expense items will continue to be compensated through the field office direct expense percentage.

The Negotiations Task Team had no major issues with the Direct Expense Percentage proposal. Everyone was provided with a copy of the concerns raised by District 4 about excluding field office from the direct expense percentage. The Task Team agreed that CEI project groupings could prove problematic. As noted by District 4:

Many times, projects are added to existing CEI Contracts because of location or possibly a reduction in costs/staff requirements. Each new project has a contractor bid. The original agreement may have provided the CEI Consultant with a field office, but the added projects do or do not. How would this be handled?

The contractor is not always the same for the added projects as the original FM number contractor. You would need to know the "Groupings" up front to determine if all projects have the same requirements for field offices, or establish a District Policy of always requiring the CEI to provide field office, or always requiring the Contractor to provide the office.

Obviously, there will need to be further refinements in the direct expense percentage policy (exclusion of field office from direct expense percentage) prior to implementation.

The Task Team voted to take the Direct Expense Percentage Proposal to the FDOT/FICE Liaison Committee for their review and approval, at the next Liaison Committee meeting in May.

Jonathan Duazo also presented an independent proposal, for which he is soliciting comments from the Negotiations Task Team. His independent proposal is:

1) Use of Luxury Vehicle: Consultants shall use vehicles appropriate for the job. Luxury automobiles are defined for expense cost-reporting purposes as passenger vehicles, including automobiles, light trucks, with an historical cost at time of purchase or a market value at execution of the lease exceeding \$30,000 when purchased or leased before January 1, 2007. For vehicles leased or purchased on or after January 1, 2007, luxury vehicles are defined as a base value of \$30,000 with 2.0% being added (using the compound method) to the base value each January 1 beginning on January 1, 2008. Any amount above the definition of a luxury vehicle stated above is an unallowable cost. When a passenger vehicle's cost exceeds the amount determined by the definition of a luxury vehicle stated above, the historical cost is reduced to the amount determined by the definition of a luxury vehicle.

2) Personal use of vehicles: The consultant during annual pre-qualification shall submit their methodology of accounting for cost of personal use of company vehicle, consistent with IRS guidelines.

Since Jonathan's proposal mainly impacts CEI contracts, it was felt that the FDOT/FICE CEI Subcommittee should look into this issue and provide feedback to the Task Team.

The Salary and Escalation Group Progress Report was co-presented by Morteza Alian and Manny Then. The Negotiations Task Team could not reach consensus with the Salary & Escalation Group regarding a unified escalation policy proposal.

The Task Team agreed to provide feedback to the Salary & Escalation Group via e-mail on a proposal suggested by Dan Kelly. Dan Kelly's proposed escalation policy statement was:

An annual escalation rate of 3% to 5% should be applied to classification rates, to be compounded every 12 month period of the contract. Additional worksheets can be prepared to supplement the AFP (Automated Fee Proposal), which provide different escalation rates to individual hourly rates, to provide a weighted escalation rate per classification. For hourly rates that significantly exceed average rates experienced by a District, escalation can be less than 3% or denied.

The main issue with developing an escalation policy statement seems to be how to handle escalation for individuals when their rates are considered excessive and/or when the rate is excessive for individuals in a pool of personnel for a contract rate position. Some districts would like to retain leeway to not escalate in those instances.

The Salary and Escalation Group will teleconference again, to work towards crafting an acceptable escalation policy statement.

The Operating Margin Group Progress Report was presented by co-champions Jan Everett and Jessica Rubio.

They are in the process of completely re-vamping the operating margin guidelines. The issues they considered and investigated included: 1) Obtaining operating margin spreadsheets from all Districts, 2) Reviewing the current descriptions of each criterion considered in awarding operating margin (complexity, risk, schedule of the project, and cost control efforts); 3) Redefining the suggested standards, and adding a definition for medium standard; 4) Evaluating the current weighting and range of points for each operating margin criterion; 5) providing examples of most representative types of projects under high, medium, and low for each criterion; and 6) considering using burdened salary rates as a assessment tool for rating the consultant's cost control efforts.

The solutions proposed by the Operating Group (which are not yet finalized) include:

Change criteria ranges for complexity, risk, schedule, and cost control efforts

- o Complexity- the 3%- 8% range was changed to 5% - 7% (5% low, 6% medium risk, and 7% high)
- o Degree of risk- the current 3% to 8% range is changed to 3%- 5% (3% low, 4% medium, 5% high)
- o Schedule of the project- the current 1% to 5% range is changed to 1% to 3% (1% no critical schedule items, 2% standard, and 3% short)

The Cost Control Efforts Criterion will be analyzed further. The Operating Margin Group has agreed that cost control should be based on burdened salary rates.

It was also requested that the FDOT/FICE CEI Subcommittee review the Operating Margin Group's finalized descriptions of criterion for complexity, risk, and schedule, since Design and CEI have different degrees of risk.

The Negotiations Team then discussed the FDOT/FICE Consultants' Conference. The Negotiations Task Team is slated to make a 1 hour presentation at the Consultants' Conference, from 2:00pm to 3:00pm on Wednesday, May 23rd, in the General Session- Intercontinental Ballroom (tentative schedule). Everyone agreed that all Negotiations Task Team members should attend the Consultant's Conference, and all members should be recognized during the presentation (perhaps everyone briefly comes up to the podium?). This will allow the Conference attendees to see who the contact persons are for their issues, and will also demonstrate the depth of experience on the team, and the true partnering nature of this endeavor. Terry Cappellini agreed to contact Ananth Prasad and the District Secretaries to obtain approval for all FDOT Negotiations Task Team members. (Approval has been obtained.) Ed McKinney and Dave Evans will take the lead on the presentation (will discuss the inception/purpose of the Task Team), but each of the three sub-group chairs will present a progress report on their specific action item (no more than 10 minutes each). The entire presentation will be

done as a Powerpoint, with possible handouts (need to confer with Joe Debs about this). Doug Geiger will prepare a template for the Powerpoint presentation, and will send it to the Groups, so they can start to prepare their slides. The intention is to maybe allow a few minutes for Q&A at the end of the presentation.

The Negotiations Task Team scheduled the next set up telephone conferences for each of the three sub-groups, thru the month of March, and scheduled the next two face-to-face Negotiations Task Team Meetings.

The next Task Team meetings are scheduled for April 5th, Turnpike Headquarters, Orlando, AND May 3rd, Turnpike Headquarters, Orlando.

III. April Negotiations Task Team Agenda

April 5, 2007
Turnpike, Orlando

I. Recap of Previous Meeting

II. Group Progress Reports

- A. Direct Expense Reimbursement Policy Group
Co-champions: Jonathan Duazo (D5)& Jim Lynch (LBFH)
- B. Salary & Escalation Group
Co-champions: Morteza Alian (D4), Manny Then (Kimley Horn)
- C. Operating Margin Calculation & Guidelines Group
Co-champions: Jessica Rubio (D4), Jan Everett (URS)

(Target time frame for each group's progress report: 30 minutes for report, and 30 minutes for follow-up discussion.)

Instructions to each group: Each group will update the Negotiations Task Team on their progress, and any new proposals emerging from their group.

Role of the Negotiations Task Team: Provide feedback to each group. Is the group on track? What is the next step recommended for the group?

III. Discuss FICE/FDOT Consultant Conference May 23, 2007

- A. Powerpoint Presentation template
- B. Outline of presentation
- C. Roles of presenters and other Task Team members
- D. Who is responsible for putting together slides
- E. Deadline for providing slides

IV. Wrap-up/New Items

V. Set Schedule for subsequent Negotiations Task Team Meetings /Tentative Dates for Group telephone conferences

Next general Negotiations Task Team Meeting:
May 3, 2007
8am- 5pm
Orlando, Florida
Turnpike Headquarters, Turkey Lake Plaza
Bldg. 5315 Room 1054/1st Floor East Hallway/TP- Headquarters@FDOT

Direct expense percentage policy Group
Co-champions: Jonathan Duazo (D5)& Jim Lynch (LBFH)
Members: Roger Masten (D5), Scott Blocker (D2), Dewey Martin (PBQD), Rich Doyle (RTD)

Salary & Escalation Group
Co-champions: Morteza Alian (D4), Manny Then (Kimley Horn)
Members: Ed McKinney (D1), Jim Hubbard (D7), Isabel Sotolongo (D6),
Doug Geiger (RS&H CS), Dan Kelly (HNTB)

Operating margin calculation & guidelines Group
Co-champions: Jessica Rubio (D4), Jan Everett (URS)
Members: Ranae Dodson (D3), Kathy Thomas (D2), Dave Evans (HNTB),
Jim Huebsch (Washington Group)
Lunch break- on your own, from 11:30am to 12:30pm

IV. CEI Grades

The SAS System 14:18 Wednesday, December 27, 2006

CONTRACT NUMBER	Grade Entered By	DOT Project Manager	Construction Project Manager	DATE GRADE ASSIGNED
C6030	DUTTON, GREG T.	DUTTON, GREG	Greg Dutton	19SEP2006
C7236	DUTTON, GREG T.	DUTTON, GREG	Greg Dutton	24JUL2006
C7364	ALDRICH, DUANE	ALDRICH, DUANE	Duane Aldrich	14SEP2006
C7585	IHSAN, DEBORAH	GUTIERREZ, KIM	Rob Cables	01SEP2006
C7585	CABLES,ROBERTO	GUTIERREZ, KIM	Rob Cables	15DEC2006
C7738	MCINTOSH, KEITH	MCINTOSH, KEITH	Keith McIntosh	12SEP2006
C7830	BEAUBRUN, JACQUES	GUTIERREZ, KIM	JACQUES BEAUBRUN	29AUG2006
C7830	BEAUBRUN, JACQUES	GUTIERREZ, KIM	JACQUES BEAUBRUN	13DEC2006
C7859	IHSAN, DEBORAH	GUTIERREZ, KIM	Roxanne Riggs	13SEP2006
C7859	RIGGS ROXANNE	GUTIERREZ, KIM	Roxanne Riggs	13DEC2006
C7874	VORCE,DARI	VORCE, DARI	Dari Vorce	04OCT2006
C7889	KELLY, MICHAEL	GUTIERREZ, KIM	Michael Kelly	21AUG2006
C7889	KELLY, MICHAEL	GUTIERREZ, KIM	Michael Kelly	20SEP2006
C7910	ALDRICH, DUANE	ALDRICH, DUANE	Duane Aldrich	14SEP2006
C7952	HANSGEN, ROBERT	Hansgen, Rob	Rob Hansgen	21SEP2006
C8A12	GRIMM, TIMOTHY T	jonathan duazo	Tim Grimm	14SEP2006
C8A12	WOERNER, BERT	DUAZO, JONATHAN	Bert Woerner	11NOV2006
C8A13	SHAW, ROBERT L	SHAW, BOB	Bob Shaw	31AUG2006
C8A13	SHAW, ROBERT L	SHAW, BOB	Bob Shaw	13NOV2006
C8A27	CHIARINI,PHIL	Chiarini, Phil M	Phil Chiarini	31AUG2006
C8A27	CHIARINI,PHIL	Chiarini, Phil M	Phil Chiarini	22NOV2006
C8A31	FURNEY, KARLA	FURNEY, KARLA	Karla Furney	13DEC2006
C8A38	WRIGHT, FRED	FLINT, SKIP	Fred Wright	25SEP2006
C8A38	FLINT, ROBERT L.	FLINT, SKIP	Fred Wright	24OCT2006
C8A46	KELLY, MICHAEL	GUTIERREZ, KIM	Michael Kelly	09AUG2006
C8A56	WILLIAMS, JEFF	WILLIAMS, JEFF	Jeff Williams	26SEP2006
C8A56	WILLIAMS, JEFF	WILLIAMS, JEFF	Jeff Williams	21NOV2006
C8B12	LAY, TOM	0256311M	Tom Lay	15DEC2006
C8B12	LAY, TOM	LAY, TOM	Tom Lay	18DEC2006
C8B13	IHSAN, DEBORAH	GUTIERREZ, KIM	STacey Sasala	13SEP2006
C8B34	VORCE,DARI	VORCE, DARI	Dari Vorce	04OCT2006
C8B35	BEAUBRUN, JACQUES	GUTIERREZ, KIM	JACQUES BEAUBRUN	29AUG2006
C8B35	IHSAN, DEBORAH	GUTIERREZ, KIM	JACQUES BEAUBRUN	31AUG2006
C8B35	BEAUBRUN, JACQUES	GUTIERREZ, KIM	JACQUES BEAUBRUN	13DEC2006
C8B39	IHSAN, DEBORAH	GUTIERREZ, KIM	Al Khan	01SEP2006
C8B39	IHSAN, DEBORAH	GUTIERREZ, KIM	Sid Mailhes	13DEC2006
C8B45	BEAUBRUN, JACQUES	GUTIERREZ, KIM	JACQUES BEAUBRUN	29AUG2006
C8B45	BEAUBRUN, JACQUES	GUTIERREZ, KIM	JACQUES BEAUBRUN	29AUG2006
C8B45	BEAUBRUN, JACQUES	GUTIERREZ, KIM	JACQUES BEAUBRUN	13DEC2006
C8C12	FURNEY, KARLA	FURNEY, KARLA	Karla Furney	13DEC2006
C8C14	HARMAN, CARL	Carl Harman	Carl Harman	31AUG2006
C8C14	HARMAN, CARL	HARMAN, CARL	Carl Harman	30NOV2006
C8C21	LENT, SCOTT	LENT, SCOTT	Scott E. Lent, P.E.	19SEP2006
C8C21	LENT, SCOTT	LENT, SCOTT	Scott E. Lent, P.E.	20DEC2006
C8C24	LENT, SCOTT	LENT, SCOTT	Scott Lent	24JUL2006
C8C24	LENT, SCOTT	LENT, SCOTT	Scott Lent	24JUL2006
C8C63	VORCE,DARI	VORCE, DARI	Dari Vorce	11OCT2006
C8C63	VORCE,DARI	VORCE, DARI	Dari Vorce	11OCT2006
C8C85	DUTTON, GREG T.	DUTTON, GREG	Greg Dutton	19SEP2006
C8C91	HOWARD, CHARLES E	HOWARD, GENE	Gene Howard	25SEP2006
C8D19	LAWRENCE, CHOLOANN	GUTIERREZ, KIM	ChloAnn Lawrence	08DEC2006
C8D23	KELLY, MICHAEL	GUTIERREZ, KIM	Gettit Barber	21AUG2006

V. CEI Expense Percent Issues

FIELD OFFICE REQUIREMENT

PSU does not NORMALLY review the Construction Documents being put out to bid. This document will advise if the CONTRACTOR will be providing a field office, or if the CEI CONSULTANT will be required to provide it.

This document may or may not be available at the time that the CEI Consultant is required to submit their AFP and Audit Package, depending on LETTING DATES.

FDOT will need to have some kind of communication practice in place with Construction so that at the time of negotiating the CEI, we would know for sure if the CEI or the CONTRACTOR is providing a field office.

GROUPING PROJECTS

Many times, projects are added to existing CEI Contracts because of location or possibly a reduction in costs/staff requirements, **OR** identified as originally part of a grouping with an expected Letting Date negotiated.

EACH new project has a CONTRACTOR Bid. The original agreement may have provided the CEI Consultant with a field office, but the ADDED projects do or do not. How would this be handled?

The CONTRACTOR is not always the same for the added projects as the original FM number Contractor. You would need to know the "Groupings" up front to determine if ALL projects have the same requirements for field offices, or establish a District Policy of Always Requiring the CEI to provide one, or Always requiring the Contractor to provide the office.

LETTING DATES

Letting Dates tend to "move" according to construction requirements. While a project may originally be intended to be added to an agreement within a few months, this date can change (and often does). This would require that EACH FM Number be SEPARATELY negotiated at or close to the Letting Dates. This may require PSU input.

LUMP SUM CEI CONTRACTS

Lump Sum CEI Projects are now (or will be) required for all 3R Resurfacing Projects, unless given special permission. When there are multiple projects, this could result in CEI Services being negotiated a number of times for one contract (depending on the number of groupings). Since the Field Office is a large expense item, this could result in over estimating the expenses for the CEI Consultant.

QUALIFICATION LETTER

The Qualification Letter (Lorraine Odom Letter) will need to CLEARLY state if a Field Office Expense is included in the Direct Expense Percent, OR CLEARLY remove any of these costs so all Letters would be handled the same.

All Expense Items to be given "extra" as a Field Office Expense (i.e., water, sewer, electricity, rent, etc) need to be CLEARLY defined, with NO Exceptions allowed (tower requirements because of remote locations, trailers vs. rented space, etc.) This would also include any "Depreciation" or "Salvage Value" to be taken.