

ENGINEERING CONSULTANTS SECTION

New Consultant Information

Last Updated November 2, 2009

FOREWORD

The following information will provide an overview of how the Arizona Department of Transportation (ADOT) selects Consultants for professional engineering services, beginning with the Prequalification process and ending with execution of a contract.

Engineering Consultants Section (ECS) is the primary contact for contracting for professional engineering services within the Intermodal Transportation Division (ITD).

Questions may be directed to ECS at (602) 712-7525.

STEP 1 – PRE-QUALIFICATION

Prime Consultants interested in providing services to ADOT are required, unless noted otherwise in a solicitation announcement, to be pre-qualified with ECS. Subconsultants are not required to be pre-qualified but are encouraged to do so. Consultants will be considered pre-qualified for a two year period.

Prior to the expiration of a pre-qualification period, all currently pre-qualified Consultants will be notified by ECS to submit a pre-qualification package for the new period. Files of the Consultants who do not renew their pre-qualification and do not have active contracts will be removed from the prequalified list at the expiration of their pre-qualification period.

Pre-qualification applications may be filed with ECS at any time throughout the year and are available at ECS website (<http://www.azdot.gov/Highways/ecs/index.asp>).

You may copy the existing forms or generate your own forms as long as they contain the required information. The completed application should be emailed to ECSPrequalification@azdot.gov.

After pre-qualification, the firm will be placed on the "Consultant Mailing List" and will automatically receive complementary notifications of advertisements, Information Bulletins, and other pertinent information issued by ECS, which currently distribute all material and notifications electronically via email. However, firms should not solely rely on these notifications. Consultants are responsible for regularly checking newspapers and/or visiting the ECS website for the most up-to-date information on contract solicitations.

Once pre-qualified, a consultant may be disqualified from responding to Statement of Qualifications (SOQ) requests for ECS contracts as a prime consultant or subconsultant

for a number of reasons, including but not limited to, failure to report any changes submitted in their prequalification submittal, falsifying information or misstatement of any material fact furnished to the Department, breach of current/previous contract(s) with ADOT, documented unsatisfactory work performance history with the Department in the areas of producing quality work, project team issues, non-completion of timely work product, ineffective communication with the Department, non-submission of required information, not meeting contract terms and conditions, deemed by ADOT to have made significant or egregious errors or omissions in previous contract(s), untimely delivery of documentation and/or deliverables for closing out a contract.

STEP 2 - ADVERTISEMENT

Adhering to a process which provides for maximum free and open competition, notices requesting submittal of proposal packets are posted on the ECS website (<http://www.azdot.gov/Highways/ecs/index.asp>) and two notices requesting submittal of proposal packets are published in a single or in multiple newspapers of general circulation within the State with an accumulated general circulation of not less than 50,000 subscribers. The official notices are normally placed in the Legal Advertising section not less than six or more than ten calendar days apart. Normally, the deadline for ADOT receipt of the proposals is not less than two weeks following the first publication of the notice. Courtesy notification is also emailed to all pre-qualified Consultants.

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Note: Failure to receive notification of project solicitation is not grounds for late submittal of the SOQ.

Consultants wishing to respond to an advertisement must respond using the SOQ format identified in the solicitation package. Solicitation packages are available via ECS website (<http://www.azdot.gov/Highways/ecs/index.asp>). Online submittal to solicitations will be handled through the same website. **Paper or hard copy of SOQ proposal submittals is not permitted.**

STEP 3 - PROPOSAL PREPARATION AND SUBMITTAL

A pre-submittal meeting is schedule for some advertised contracts which is open to all Consultants. It is arranged prior to the deadline for receipt of the proposals. Questions relative to the project are discussed and clarified at that time.

Submitted SOQ proposals are reviewed and scored by a Selection Panel of qualified ADOT staff based on the project scope of work. Selection criteria and weighing factors are identified in the SOQ package. When necessary, oral interviews with the short-listed (top-ranked) Consultants will be conducted.

ECS provides amendment(s) to the original solicitation to all firms listed on the proposal request log, when necessary. Amendments are also available on the ECS website on the Current Advertisement with the original advertisement. Firms submitting must acknowledge, in writing, that they received the amendment. A copy of the signed amendment must be included in the proposal submittal.

Timely receipt of the proposals will be determined by the date and time the proposal package is received online at the website indicated in the proposal. No proposals will be accepted after the time and date indicated.

A listing of firms submitting should be available upon request within **three business days** after proposal deadline. This information is also posted on the ECS website.

Proposals not adhering to guidelines outlined in the SOQ Package will be rejected. All materials submitted in accordance with the proposal guidelines become the property of the State of Arizona and shall not be returned.

STEP 4 - PROPOSAL REVIEW AND SELECTION

A Qualifications Based Selection (QBS) process is used to determine the firm or firms selected to perform the work identified in the solicitation package.

The purpose of the Selection process is to arrive at a consensus recommendation of a firm or firms. This is accomplished by:

1. Convening a Selection Panel to individually review, evaluate, score and comment on the Statements of Qualification according to the evaluation criteria for the project.
2. Conducting oral interviews, if applicable.
3. Compiling a rank order selection list from final scores.
4. Submitting the rank order list to the ECS Director through the Contract Manager for approval of the recommended firm(s).

The proposals are evaluated by qualified panel members who are familiar with the type of project and related requirements. The panel may include personnel other than ADOT employees. For ADOT Consultant selection, the evaluation factors may include, but are not limited to, the following:

For Standard Project Specific and On-Call Contracts

- (1) Project Understanding and Approach
- (2) Project Team
- (3) Firm's Capability
- (4) Location of Work
- (5) DBE Requirements

For Supplemental Services Contracts

- (1) Relevant Experience
- (2) Demonstrated Knowledge, Skills & Abilities
- (3) Education and Training
- (4) Knowledge of Federal and State Standards

Other considerations may include, but are not necessarily limited to, availability, current workload status, and past performance. Specialized evaluation criteria and an alternative selection process may be used on contracts for which the above listed standard criteria do not apply.

STEP 5 - CONSULTANT DEBRIEFINGS

After Consultant selection has been approved, all firms who submitted proposals are provided the opportunity to review the winning proposal(s), as well as, receive their proposal evaluation scores. Firms must call in advance to set up an appointment with the assigned ECS Contract Specialist.

Note: ECS anticipates that there will be a change in this process as new modules are added to the electronic Contract Management System (eCMS).

STEP 6 - PRE-AWARD REVIEW

In order to determine fair and reasonable overhead rates, ECS will request a Pre-Award review from ADOT Audit & Analysis. Firms will be requested to submit Consultant Audit Questionnaire and comply with the Advance Agreement Checklist. Copies of the documents may be obtained through ADOT Audit & Analysis website (http://www.azdot.gov/Inside_ADOT/audit/index.asp).

A Pre-Award review is requested when the firm has not had a contract with ADOT for one year, or whenever a valid need exists. At the auditors' discretion, the review may require an examination of the Consultant's records.

Allowability and allocability of costs is determined by CFR 48, FAR, Part 31. For Pre-Award requirements, refer to Information Bulletin 09-04 (ADOT Consultant Audit Guideline). The Pre-Award overhead recommendations may be incorporated into the contract if recommended rate is received before the contract is issued a Notice to Proceed (NTP).

STEP 7 - CONTRACT NEGOTIATIONS

The selected Consultant is required to attend a pre-negotiation conference with the ECS Contract Specialist and the ADOT Project Manager (PM). When applicable, the Consultant may be required to attend a partnering workshop. The objectives of the pre-negotiation conference are: (1) to achieve a clear and mutual understanding of all contract requirements; (2) to identify and resolve potential problems; and (3) to define negotiation parameters. Items of discussion include, but are not limited to, derivation of cost format, justification of costs, work hour breakdowns, audit information, establishment of fixed fee factor and scope of work.

Following agreement on level of effort, the selected Consultant is requested to submit a detailed cost derivation for the work to be performed, including a cost derivation for each proposed Subconsultant. The final cost shall reflect the complexity of the work, the degree of risk and profit. All rates used in the cost derivation, unless specified otherwise, shall be the estimated averages anticipated for the life of the contract.

In order to determine fair and reasonable wage rates, ECS will request the selected firm to submit current payroll rates for all employees whose rates were used to develop the rates proposed for each labor classification. The rates should be certified as accurate by either the Chief Financial Officer or President/Vice President of the firm. Proposed rates will be compared to ECS historical wage rates for the firm and/or the discipline. The Department reserves the right to cap rates that are considered excessive and above historical rates for the classification.

The cost derivation is reviewed first by the ECS Contract Specialist and Contract Manager, the ADOT Project Manager, and ADOT Office of Audit & Analysis, to ensure that the costs submitted by the Consultant are fair and reasonable and within ADOT's guidelines.

When irreconcilable differences occur between the Consultant and ADOT regarding the costs, ADOT may offer its "best and final" offer to the Consultant. ADOT reserves the right to reject a proposal resulting from failed negotiations. In the event of a rejection, the next Consultant on the evaluation list is recommended to ADOT Management for approval to enter into the negotiation process.

STEP 8 - CONTRACT EXECUTION

The contract is reviewed by the ECS Contract Specialist for accuracy and comprehensiveness and is transmitted to the Consultant for signature.

Upon receipt of the signed contract from the Consultant, the contract is then forwarded to the appropriate ADOT Group Manager and Deputy State Engineer for approval.

When all approvals are received, the contract is submitted to the appropriate signatory authority for final approval. At this time, the contract is considered executed.

STEP 9 - CONTRACT MODIFICATIONS

A contract modification (Mod) is utilized when changes to the contract terms such as additional funding, time extension, key personnel change, scope of work change, etc., occur. A Mod may be unilaterally directed by ADOT or by a bilateral supplemental agreement which requires written approval of all parties.

ADOT is not responsible for payment of any additional work performed by the Consultant prior to the receipt of a fully executed (signed) Mod or an Advance Notice to Proceed (ANTP). Work performed without a written agreement is done at the Consultant's risk.

Once a Mod has been requested and money is involved, the Consultant is required to submit a cost derivation for the additional work to be done to the ADOT Project Manager who evaluates and approves the cost and send the Mod to the Contract Specialist. The Contract Specialist reviews the Mod to ensure that all costs are in accordance with the contract terms. For a bilateral Mod, it is executed once it is signed by the Consultant and ADOT.

STEP 10 – PAYMENT REPORT (INVOICES)

Payment reports are the Consultant's way of invoicing the Department for services rendered. Consultants are required to submit their payment reports on a monthly basis or other interval as specified in the contract. Failure to do so may result in disallowed costs after a 60-day timeframe or result in sanctions up to and including damages, contract termination, disqualification from future contract solicitations, etc.

Payment reports with appropriate back-up, if required, are submitted to appropriate PM who reviews and approves them. All Consultants are required to identify any DBE subconsultants used on their contract. The PM forwards the payment to the Contract Specialist once approved. The Contract Specialist checks the PM-approved payment reports for contract compliance and forwards to ADOT Contract Payables for payment.

According to the Prompt Pay Legislation (A.R.S. § 28-411), ADOT has 21 days to process payment from date of receipt of an accurate and complete Consultant's invoice.

STEP 11 - CONTRACT CLOSEOUT

When the technical review establishes that all phases of the contract have been completed to the satisfaction of ADOT, a written concurrence (Contract Status Form) is completed and signed by the ADOT Project Manager and ADOT Group Manager advising ECS to initiate the contract closeout. The Consultant is notified in writing (Initial Closeout Letter) of the final closeout procedures which may include submittal of final Progress Payment Report/Invoice, deliverables and a final incurred cost audit, if applicable.

A Final/Incurred Cost Audit of Consultant's costs may be performed by ADOT Office of Audit & Analysis to determine contract costs' allowability, allocability, and reasonableness in accordance with the terms of the contract.

The consultant and its subconsultants shall retain, maintain and make available at any reasonable time and place during the term of work on the contract and related project(s) all books, papers, records, accounting records, files, accounts, expenditure records, reports, cost proposals with backup data and all other such materials related to the contract and other related project(s) for five (5) years from the date the Initial Closeout Letter is sent to the Consultant --after ADOT indicates that work on the contract has been completed to the satisfaction of the State (Contract Status Form).