

Consulting Services Manual

A Guide for the Administration of Professional Services Contracts.

Prepared by and for : Riverside County Transportation Department

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Preface

Guideline Objectives

This Guide has been prepared to satisfy three objectives vital to the task of coordinating a project with the use of contracted services.

The first objective is to present the fundamental concepts that are necessary to coordinate a project with specific concerns applicable to the Riverside County Transportation Department, hereinafter referred to as RCTD.

The second objective is to orient the Contract Administrators to the basic procedures RCTD is using to manage projects.

The third objective is to create a single manual that will be a ready desk reference and source of information for Contract Administrators to allow a more effective performance of their assignments, rather than requiring them to research several documents continually in search of information.

The content and procedures provided in this guide are developed with a primary focus on the administration of "Professional Engineering Services", however, the general principles and basic process is relevant and applicable to many other professional services contracts. Also, the content and procedures represent RCTD process and generally do not attempt to conform to procedures that may be necessary due to requirements from other agencies and/or sources, such as requirements mandated by the Federal Government on Federally funded projects.

This documentation along with the sample documents and forms have been prepared with the intent to be distributed electronically. The electronic versions are intended to be available on the TLMA network as well as the Internet. Further discussion and details regarding the available electronic files and their usage is provided in Appendix K - Electronic Data.

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Note: Forms and Templates preceded with a plus sign (+) are not included in the printed appendix. Please read the introduction in the appendix for further clarification.

Introduction

While there is no one “correct” format to follow in the administration of professional services contracts, there are certain elements that are time-tested as essential for proper project management. The following pages represent guidelines that have been developed from many years of administration experience and effort performed by a variety of governmental agencies. It is an underlying principle that every step of the consultant selection and management process is predicated on the goal of producing a quality product for the public. There are costs involved. It may cost more money and time to design and review. However, these expenditures in turn can prevent errors and omissions, thus saving unexpected costs. These guidelines are expected to serve as a useful tool in meeting the goal of obtaining and managing consultant services in a proper and consistent manner in order to satisfy the goal of a quality product.

There are certainly procedural requirements in the use of consultant services that are dictated by a variety of sources including legislation, government codes, revenue sources, Board of Supervisor policies and other influences. However, many of the procedures and processes described in this manual are recommended based on past experiences and not because they are mandatory. It is inherent that Contract Administrators exercise good judgement in the implementation of the processes and procedures as identified . While it is recommended that these guides be followed, Contract Administrators should depart from the procedures if they can develop satisfactory rationale to do so. The intent of this guide is not to create bureaucratic red tape that interferes with the process; the intent is to create a consistent, proper and efficient format for contract development and administration.

Roles & Responsibilities

Contract Administrator

The County Contract Administrator, named in the consultant agreement, will be responsible for the quality of contract products or services, and should be involved throughout the development of the contract provisions. The contract administrator must be qualified to ensure the work pursued is complete, accurate and consistent with the terms, conditions and specifications of the contract. The contract administrator's duties may include:

- ensuring that contracted projects are completed according to the prescribed technical standards, on schedule, within budget and in accordance with RCTD and other relevant policies and regulations.
- providing direction to ensure the contract is advertised properly, the request for qualifications (RFQ), description of work, and request for proposals (RFP), if used, are prepared and distributed, and the draft contract is appropriately prepared.
- making analysis of the selected consultant's cost proposal.
- serving as the successful consultant's primary contact person.
- monitoring the consultant's progress and providing direction.
- approving the consultant's progress payments.

There must be a mechanism for the flow of communications between the client (RCTD), the Consultant, local, state and federal governments, utility agencies, and others as the need arises. The Contract Administrator is the communications mechanism and control point of contract administration within RCTD.

Director of Transportation

RCTD has a dynamic multi-year Transportation Improvement Program (TIP) which inherently contains workload peaks and valleys. Staffing limitations and other constraints are adding pressures to the expectations of RCTD to deliver quality projects on time and within budget. The Board of Supervisors has demonstrated a desire to contract for those professional services necessary to accomplish the goals and projections established in the TIP while maintaining a highly trained core of professionals in-house. Over the past decade, the

Roles & Responsibilities

competition between engineering companies has increased significantly with most companies downsizing staff levels to rightsize their work force. Given the Board of Supervisors interest and the heavy competition between consultants, the use of consultant services requires awareness with public relation issues. It is therefore imperative that the Directors Office be informed on the development and use of consultant services. Working through the Deputy Director, Contract Administrators determine the need for outside services and notifies the Director of impending services.

When consultants receive a notice regarding impending services, they often contact the Directors Office to obtain clarification or as a part of their own public relation activities. It is therefore necessary for the Director's office to be informed when a request for services is issued. The information provided to the Directors Office should be of sufficient detail for the Director to respond to questions by potential consultants or supervisors regarding the request for services.

The Director is also responsible for approving all contracts and amendments prior to submission to the Board of Supervisors for approval and execution.

TLMA Agency Buyer

The TLMA Agency Buyer is responsible for the processing of all purchase orders created by TLMA. The duties associated with this responsibility require that the Agency Buyer become intimately aware of the rules and regulations for the procurement of products and services. The Agency Buyer also becomes intimately involved with the Purchasing Department as a result of the day to day processing of purchase orders. These normal duties and capabilities make the Agency Buyer uniquely qualified to provide review of the procedures for consultant services and to provide liaison services with the Purchasing Department. The Agency Buyer should therefore be aware of impending use of outside professional services, perform review of the selection and award process for compliance with procedural requirements, and provide liaison with the Purchasing Department, when necessary to do so. The Agency Buyer has the authority to approve purchase orders for services that are less than \$25,000.

Roles & Responsibilities

The Purchasing Department.

The Purchasing Department, through the County Contract Compliance Office shall develop, manage and implement the Women/Minority/Disabled Veteran program established by County Board Policy B-17 (Appendix A). The Purchasing Department shall be responsible to:

- Review contracts to ensure compliance.
- Provide assistance and guidance to other Departments in regards to policy.
- Provide outreach services and assistance to M/W/DVBE firms.
- Approve Purchase Orders for Services less than \$100,000 - when competitively bid

Functional Division Managers

Functional Division Managers shall provide technical support to the Contract Administrator. This technical support may include review of the scope of work, cost estimates, and deliverable submittals.

Board of Supervisors

The County Supervisors are the approving authority for the County of Riverside. All professional service contracts over :
\$100,000 - when competitively bid
\$25,000 - when not competitively bid
must be approved and executed by the Board to be enforceable.

Capital Project Improvements

The Capital Project Improvement Group is responsible for development of the Transportation Improvement Program. This group can provide assistance in determining the need for consultants based on projected work loads.

Legislative Requirements

Brooks Bill

The provisions of the Brooks Bill (40 USC 541) require local agencies to award federally-funded engineering and design contracts on the basis of fair and open competitive negotiations, demonstrated competence and professional qualifications (Federal Register, Volume 56, Number 83, 23 CFR 172).

California law requires selection of architectural, engineering, environmental, land surveying, or construction project management services consultants on the basis of demonstrated competence and professional qualifications. Local agencies may not use cost solely as a basis for selecting such consultants. Contracts must be negotiated in order of the most qualified firms at prices determined to be fair and reasonable to the local agency (Government Code, Chapter 10, Sections 4525 through 4529.5) (Copies of some regulations and policies can be found in Appendix A located at the back of this document).

Consultants, other than architectural, engineering, environmental, land surveying, or construction project management services, should be selected using cost as one of the primary selection criteria.

Board Policies

On March 8, 1994, the Board of Supervisors adopted a Minority, Women and Disabled Veteran Business Enterprise Program Policy "B-17" with the intent to promote the active participation of Minorities, Women and Disabled Veterans. As a result of passage of Proposition 209 in the state of California, Policy "B-17" was amended by the Board on December 16, 1996. The revised policy implements a race-neutral and gender neutral program. Efforts of data collection both statistical and anecdotal will continue in support of a future disparity study.

TLMA Policies

TLMA Policy: PUR 001 - *Procurement and Payment Authorization for Goods & Services*. Defines authorities and responsibilities for procurement and authorization of payment for goods and services, other than road construction contracts.

Legislative Requirements

TLMA Policy: AGY 009 - *Signatures on Contract Documents*. Establishes written guidelines for the signing of contracts and/or agreements.

Selection Process

General Guides

Professional consultants will be retained by RCTD to augment its capabilities during peak work loads or other critical periods and/or to provide specialized expertise where needed.

Historically, professional services have been obtained by selecting consultants on the basis of professional conduct, qualifications, and performance. RCTD intends to employ individuals and firms of high ethical and professional standing to perform to the highest standards and codes of conduct and ethics of the profession in RCTD's behalf. It is the policy of RCTD to obtain such consulting services as may be desirable or necessary on such basis.

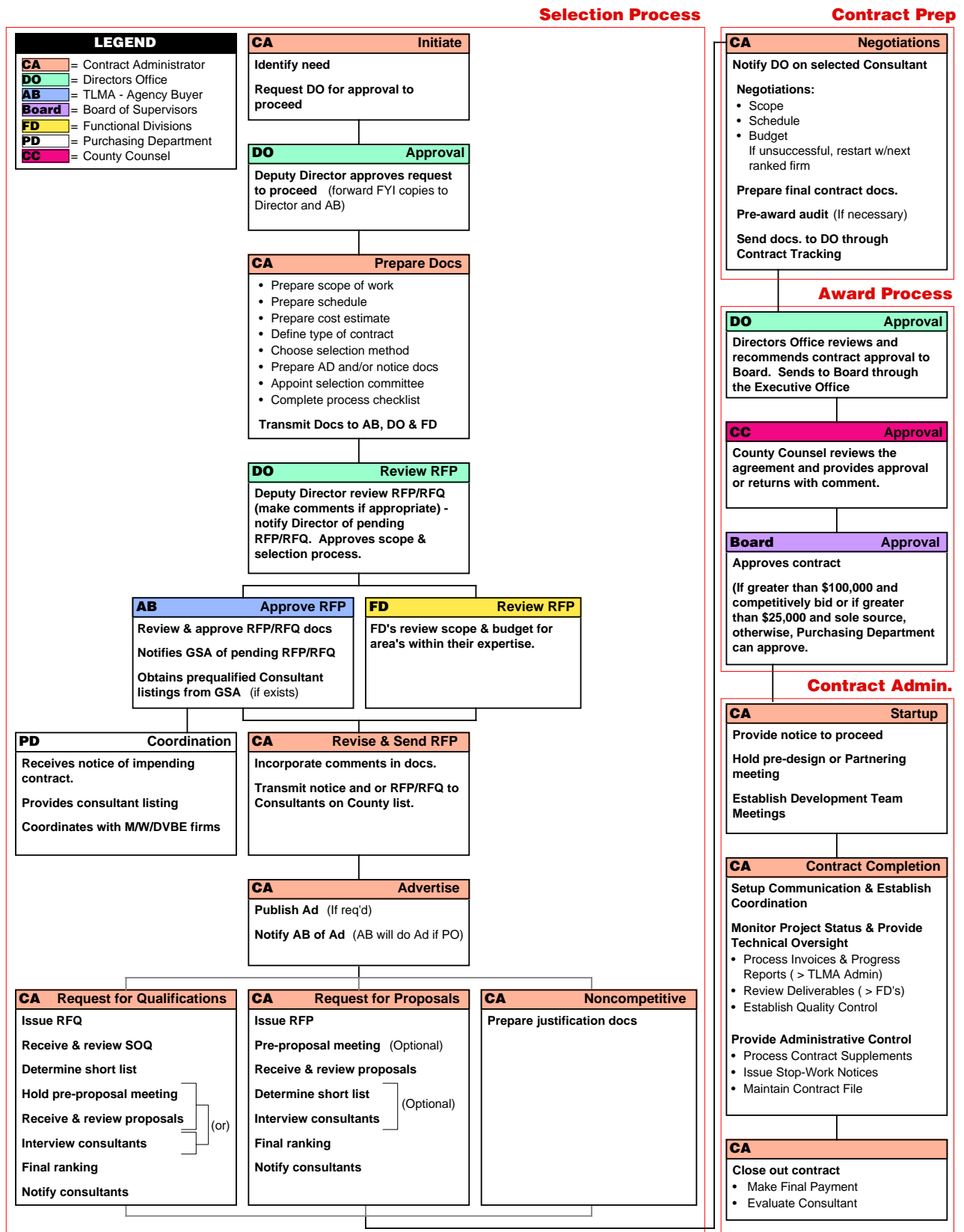
The procedures employed by RCTD for the selection of professional services are intended to emphasize those factors which demonstrate an ability to provide high quality professional services rather than the fee to be charged. Sound professional services assure RCTD of maximum value for each dollar expended in total project costs. A strict cost competitive basis for the selection of professional services tends to lower the quality and thoroughness of the services provided which can result in unnecessary additional costs to RCTD for the construction, operation, and maintenance of its facilities. It is intended that each consultant will be compensated for his reasonable costs and be provided an appropriate margin of profit. Fee structures that have been developed by professional associations and societies and from historical RCTD data will be used as general guidelines in establishing reasonable fees.

Process Flow Chart

A flow chart depicting the recommended process for consultant selection is provided on the next page. Detailed descriptions of each step in the process are provided on the pages following the flow chart.

Selection Process

Professional Service Contract Development and Administration Process Flow Diagram



Selection Process

Identify Need

CA	Initiate
Identify need	
Request DO for approval to proceed	

Request Directors Approval

DO	Approval
Deputy Director approves request to proceed (forward FYI copies to Director and AB)	

The items identified in the preceding flow chart are discussed in further detail below. Each major activity defined in the flow chart is identified with a heading located in the column on the left.

The need for consultants should be identified by comparing the project's schedule and objectives with RCTD's capabilities, staff availability, and funding resources.

Contract Administrators shall complete the Professional Services Authorization Request form (provided in Appendix J and shown below) and submit it to the Deputy Director of Transportation for approval.

Professional Services Authorization Request Form			
The approval of the Deputy Director is required prior to advertisement or dissemination of Requests for Qualifications (RFQ) and/or Requests for Proposals (RFP). This requirement is intended to assure coordination with the Directors Office on matters of consulting services.			
PROJECT:		PROJECT NO.:	
DESCRIPTION OF SERVICES:			
CONTRACT COST ESTIMATE:	AVAILABLE FUNDING:	FUNDING SOURCE(S):	PROJECTED TIME FRAME:
PROPOSED SELECTION PROCESS: <input type="checkbox"/> RFQ <input type="checkbox"/> RFP <input type="checkbox"/> SOLE SOURCE <input type="checkbox"/> OTHER _____	METHOD OF NOTICE: <input type="checkbox"/> NOTICE WILL BE ADVERTISED <input type="checkbox"/> ONLY DISTRIBUTED TO PRE-DEFINED LIST <input type="checkbox"/> OTHER _____	TYPE OF CONTRACT: <input type="checkbox"/> ACTUAL COST PLUS FIXED FEE <input type="checkbox"/> COST PER UNIT OF WORK <input type="checkbox"/> SPECIFIC RATES OF COMPENSATION <input type="checkbox"/> LUMP SUM <input type="checkbox"/> OTHER _____	
PROPOSED SELECTION TEAM MEMBERS: (MIN 3 MEMBERS) Include name of Agency if other than County _____ _____ _____			
SUBMITTED BY: _____ <small style="text-align: center;">CONTRACT ADMINISTRATOR DATE</small>		APPROVAL: _____ <small style="text-align: center;">DEPUTY DIRECTOR OF TRANSPORTATION DATE</small>	
INSTRUCTION FOR PROCESSING: Contract Administrators forward this form to the Deputy Director for review and approval prior to soliciting consultant services. If approved, the form is returned to the Contract Administrator and fyI copies are forwarded to the Director and the TLMA Purchase Agent.			
RIVERSIDE COUNTY TRANSPORTATION DEPARTMENT			

The request for approval should include a brief description of the services to be provided, an estimated cost for the services to be provided with the proposed funding identified, a time frame to complete the services, the intended selection process, the type of proposed contract, and a list of the proposed selection team members. Guidelines for the development of this data are provided in other sections of this document. It is not the intent at this stage to create a significant burden on the Contract Administrator nor is it desired to unnecessarily delay the

Selection Process

Directors Approval

process of consultant selection. Contract Administrators are therefore not required to develop detailed or precise data for inclusion in this form. The primary intent of this form is to initiate communication with the Directors Office to coordinate the use of professional services.

The Deputy Director of Transportation shall review and evaluate the funding, method of selection, the appropriateness of the selection team members and other relevant data that is submitted. The Deputy Director will then provide comments and/or approval as appropriate. Once approved, FYI copies will be routed to the Director and the TLMA Agency Buyer.

Preparation of Documents

CA	Prepare Docs
	<ul style="list-style-type: none">• Prepare scope of work• Prepare schedule• Prepare cost estimate• Define type of contract• Choose selection method• Prepare AD and/or notice docs• Appoint selection committee• Complete process checklist
Transmit Docs to AB, DO & FD	

The Contract Administrator shall be responsible for the preparation of the Request for Qualifications (RFQ), the Request for Proposals (RFP) and all other necessary documents required for the selection process. Some of the necessary documents may have already been prepared in order to complete the Professional Services Authorization Request form. Documents and items of information that are generally included in the selection process are described in more detail in the following discussions.

Define the Scope of Consultant Work

The scope of work, which the contract must include, is a detailed description of the products or services the consultant will provide. From a detailed scope of work, consultants responding to a project advertisement can determine personnel and time requirements, and can develop a technical proposal and person-hour estimate for the contract. Over the years, various personnel within RCTD have developed and used a variety of scope of work documents for use with consulting services. The scope of work must obviously be consistent with the services provided, however, RCTD often uses similar types of consulting services on multiple occasions. For example, RCTD does not currently have staff specialized in structural engineering and as a consequence, whenever a bridge design is required, consulting services are generally used. It follows that developing a library of scope of services documents would facilitate the development of RFQs, RFPs and contract documents. A variety of scope of

Selection Process

services documents used on previous RCTD projects is therefore provided in Appendix G.

The Contract Administrator is responsible for developing the technical criteria, and their relative weight, which will be used to evaluate and rank the consultant proposals. The criteria and relative weights should be included in the RFP documents. Appendix B contains a recommended evaluation sheet with criteria and rating points. This format is not mandatory but is generally recommended in the interest of maintaining consistency in the selection process.

Specify the Products to be Delivered

The Contract Administrator should identify the products and services to be delivered as a result of contract work. These will vary depending upon the type of projects and the phase of project development being addressed. The document for listing deliverables can be prepared in a variety of formats, however, each listing should at a minimum describe the deliverable item and identify the phase or milestone of which that deliverable will be submitted. The deliverables listing is a very useful tool in helping both parties of the agreement to understand what is specifically expected and can also facilitate the Contract Administrator when evaluating the progress of the consultant. A generic sample format is shown below. Appendix C contains several formats that have been used on previous consultant contracts.

Sample Deliverables Matrix Format				
		Phase / Milestone		
		Phase 1	Phase 2	Phase ...
Responsible Parties	Group 1	Deliverable A	Deliverable B	
	Group 2			Deliverable C
	Group ...		Deliverable ...	

Selection Process

Segment the Consulting Work

Consultant services are most effective when consultant work is segmented appropriately. The extent of segmenting depends upon the type and complexity of the work. It may be important to combine differing types of work when they are interdependent. For example, always try to combine preliminary engineering tasks with the preparation of the required environmental analysis. Preparing an environmental assessment or environmental impact statement is more than simply writing a report. Assessment and impact reports include preliminary engineering needed to analyze project alternatives and produce an engineering and planning assessment. Combining interdependent work items may also be wise in order to simplify the identification of accountable parties for a completed product and to minimize administration by RCTD staff. On the other hand, it may be better to segment the work if the work is significant in size and if the available pool of consultants to select from is improved.

Segmenting Consulting Work			
	Well-structured Projects	More Difficult Projects	Very Complex Projects
Preliminary Engineering	[Large Block]	[Medium Block]	[Small Block]
Environmental Analysis	[Large Block]	[Medium Block]	[Small Block]
Plans, Specifications & Estimates	[Large Block]	[Medium Block]	[Small Block]
Right-of-Way Activities	[Small Block]	[Medium Block]	[Small Block]
Utility Relocations	[Small Block]	[Medium Block]	[Small Block]
Construction Engineering	[Small Block]	[Medium Block]	[Small Block]

Subcontracted Services

The consultant is responsible for performing the work required under the agreement in a manner acceptable to RCTD. The consultant's organization and all associated consultants or subcontractors must be identified at the time of the proposal. If the consultant wishes to use a firm not specified in the proposal,

Selection Process

prior written approval must be obtained from RCTD. The subcontract shall contain all required provisions of the prime contract and the total value of the subcontracts should not exceed 50% of the total contract amount.

Develop a Schedule for the Services to be Provided

The Contract Administrator should develop a schedule to show the time for performance of work and completion of the project before the contract is advertised. The schedule should include key dates for consultant selection activities, developing consultant contracts, and conducting meetings and project reviews. The Contract Administrator should confirm selection activity target dates with all members before completing the schedule.

SAMPLE SCHEDULE FORMAT FOR RFP DOCUMENTS

PROJECT / TASK	1												2												3													
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36		
Consultant Selection & Hiring Process																																						
Advertisement / Notice of Availability	▼																																					
Closing Date		▼																																				
Notification of Short List Selection			▼																																			
Interviews				▼																																		
Notification of Final Selection					▼																																	
Performance of Consultant Services																																						
Environmental Clearance																																						
Preliminary Engineering																																						
Final Plans, Specs & Estimates																																						
Right-of-Way Possession																																						
Utility Relocations																																						
Award Process																																						

Prepare Estimated Cost of Consultant

An independent cost estimate is needed to ensure that consultant services are obtained at a fair and reasonable price. The estimate must be prepared in advance so RCTD's negotiating team has a detailed analysis of the project from which to evaluate the strengths and weaknesses of the consultant's cost proposal. It is also necessary to have an approximate cost prior to development of the Professional Services Authorization Request form so that a determination as to adequate/inadequate funding can be made. If adequate funding is not available, then both RCTD and Consultant staff times are not wasted and unnecessary costs are not incurred.

Selection Process

A good cost estimate can be prepared only if the scope of work is defined clearly. The scope of work must include a list of the products or services which the consultant will be required to deliver, and a schedule describing when they must be delivered.

The estimate should generally include a breakdown of

- direct labor costs.
- indirect costs.
- general and administrative costs.
- other direct costs.
- subconsultant costs.
- net fee.

Additional guidelines and reference tools to facilitate the preparation of estimates are provided in Appendix G. It is generally a good idea to segment work into separate phases and develop cost estimates for each phase. The completion of each phase and the corresponding expenditure of funds for each can be tracked separately and can provide valuable checkpoints during the development of the project. These checkpoints facilitate the Contract Administrators ability to verify billings submitted for payment against work completed.

Define the Type of Contract

The contract must specify how the consultant is to be paid. Four methods of payment are normally used on consultant contracts: (a) Actual Cost Plus Fixed Fee; (b) Cost Per Unit of Work; (c) Specific Rates of Compensation; and (d) Lump Sum.

Actual Cost Plus a Fixed Fee

This method is used most commonly. The consultant is reimbursed for actual costs incurred and receives an additional predetermined amount as a fixed fee. The fixed fee is not adjustable for the life of the contract except where there is a significant change in the scope of the work, in which case the fee may be

Selection Process

renegotiated. This method of payment is appropriate when the extent, scope, complexity, character, or duration of work cannot be precisely predicted. Fixed fees apply to the total direct and indirect costs. A fixed fee of 10 percent is commonly used. Fixed fees over 15 percent must be justified and documented in the files prior to commencement of work. Appendix C and G contain Budget and Man-hour Worksheet formats to be used in the preparation of cost proposals. These documents should be provided to consultants as a part of the RFP package and all consultants should be directed to prepare their cost proposals in similar formats. The Man-hour Worksheet is normally used as a negotiation tool and can also be used to easily define a change in project budget if portions of the project scope are deleted. The Budget Worksheet is normally included in the contract documents to facilitate the monitoring of costs. The contract budget format is important to the Contract Administrator because standardized invoice formats have been developed for use by consultants that are consistent with the format used in the Budget Worksheet documents.

Cost per Unit of Work

The consultant is paid based on the work performed. This method of payment is appropriate when the cost per unit of work can be determined with reasonable accuracy in advance, but the extent of the work is indefinite. Contract payment provisions must specify what is included in the price to be paid for each item.

Specific Rates of Compensation

The consultant is paid at an agreed and supported specific fixed hourly or daily rate for each class of employee engaged directly in the work. Such rates of pay include the consultant's estimated costs and net fee. The specific rates of compensation, except for an individual acting as a sole proprietor, are to include an hourly breakdown, direct salary costs, salary additives, indirect costs, and net fee. Other direct costs may be set forth as an element of the specific rate or may be included as independent cost items. This method of payment is used for on-call contracts, but should be considered only when none of the other three methods of payment can be used. It should be considered only for emergency work or when the tasks are relatively minor.

Selection Process

Lump Sum

The consultant undertakes to perform the services stated in the agreement for an agreed amount as compensation. This is the preferred type of contract when the scope, complexity, character, and duration of the work have been sufficiently defined to permit just compensation to be determined and evaluated by all parties during negotiations.

Choose a Method of Selecting a Consultant

As shown on the Selection Process Flow Chart shown at the beginning of this chapter, one of two methods is normally used in selecting a consultant.

- Request for Proposals (RFP)
- Request for Qualifications (RFQ)

The method used will depend upon the scope of work, the services required, the project's complexity, and the time available for consultant selection.

Request for Proposals (RFP)

The RFP method is used more often when the consultant service is highly specialized and there are few qualified consultants. This method is also used when a local agency has a modest number of projects per year, and the expected number of proposals is small—generally, less than ten. In this method, consultants submit at the same time, a technical proposal and statement of qualifications. Proposals by all consultants are evaluated based on criteria outlined in the RFP, and a short list of qualified consultants is developed. The Consultant Selection Committee ranks qualified consultants and negotiation begins with the most qualified consultant. As an option, the consultant selection committee may elect to conduct interviews with the top ranked firms and develop a final ranking based on the interviews.

Request for Qualifications (RFQ)

The most common selection process is the RFQ method. It is used when typical services (such as preparations of PS&E) are required and there are many

Selection Process

consultants. The RFQ method is also used when an agency produces many projects and there are numerous consultants that wish to participate. The consultant submits a Statement of Qualifications (SOQ) in response to a Request for Qualifications. The responding consultants are ranked by a consultant selection committee which develops a short list of qualified consultants. At this point, the consultant selection committee has the option of requesting written proposals or performing interviews. The final ranking of consultants is based on the results of the evaluation of the proposals or the interviews depending on the option chosen; negotiation begins with the most qualified consultant. Although it may be used for more than one project, the ranking process should be renewed every one to two years to give new consultants the opportunity to participate and because the staff proposed by consultants may no longer be available.

In addition to the RFQ & RFP methods there are two additional options available to the Contract Administrator that are used under special circumstances. These additional options are described below:

Agreements Costing less than \$100,000 and more than \$25,000.

Service agreements subcontracts and other consultant agreements costing less than \$100,000 may be processed by the Purchasing Department if competitively bid. This guideline does not attempt to provide significant details regarding the process involved with purchase orders. The TLMA Agency Buyer is responsible for the processing of all purchase orders generated by TLMA. All inquiries regarding purchase orders should be made to the TLMA Agency Buyer.

Agreements Costing less than \$25,000

Service agreements subcontracts and other consultant agreements costing no more than \$25,000 each and are not competitively bid, may also be handled through a Purchase Order (PO) method of procurement. This form of Purchase Order is generally used when following the Brooks Bill or for sole source services. As with the above, detailed procedures regarding the purchase order process are not provide here.

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Noncompetitive Negotiated Agreements

A noncompetitive, negotiated contract (sometimes referred to as Sole Source) may be developed when special conditions arise. Conditions under which noncompetitive negotiated contracts may be acceptable include:

- only one organization is qualified to do the work.
- an emergency exists of such magnitude that cannot permit delay.
- competition is determined to be inadequate after solicitation of a number of sources.

The Contract Administrator must carefully document details of the special conditions justifying the use of a sole source and retain them in the files for future review. Sole source agreements less than \$25,000 may be processed by the TLMA Agency Buyer. Sole source agreements greater than \$25,000 must be approved by the Board of Supervisors.

Advertisement Data

The Contract Administrator is responsible for preparing the data that will be provided in any advertisements that are placed. The information provided is generally brief, however, it should provide enough detail to accomplish the following:

- Describe the type of work and location of work in sufficient detail so that consultants can determine if they are capable of performing the work.
- Provide directions on how to obtain the complete RFQ/RFP packages.
- Provide the closing date for RFQ/RFP submittals.

Appoint Consultant Selection Committee

A Consultant Selection Committee, with a minimum of three members, is appointed at the beginning of the consultant selection process. The committee reviews and scores materials submitted by consultants, develops a short list of qualified consultants if applicable, interviews consultants if applicable and develops a final ranking of most qualified consultants. This committee shall be composed of members who are familiar with the technical aspects of the project

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problem and the scope of services required. Representatives from other agencies, County departments, public utilities, or the construction industry who have experience in the problem area may be selected to serve on the Selection Committee.

Professional Services Processing Checklist

The Contract Administrator is responsible for completing the top portion of the Professional Services Processing Checklist. This checklist has been developed to assist the Contract Administrator by tracking the specified steps and documents necessary in the process. It also provides a mechanism for tracking compliance with County M/W/DVBE and local preferences policies. In addition, the checklist provides assistance with the pre-advertisement review that will be conducted by the TLMA Agency Buyer.

Professional Services Processing Checklist	
Project Data	
Project Name	PO#
DESCRIPTION OF PROPOSED CONTRACT	
Directors Office Approval	
Professional Services Authorization Form approved & copy attached.	<input type="checkbox"/> YES <input type="checkbox"/> NO 1
Federal Policy Compliance	
Are Federal Funds going to be used for this Contract or any related project activities...	
IF YES: What are the proposed DBE % Usage Goals...	
<input type="checkbox"/> YES <input type="checkbox"/> NO 2	
Solicitation / Advertisement	
Is this RFQ/RFP going to be issued by Advertisement...	
IF YES: Will be advertised in the Press Enterprise...	
Will be advertised in the Desert Sun...	
<input type="checkbox"/> YES <input type="checkbox"/> NO 4	
IF YES: Will be advertised in the Desert Sun...	
<input type="checkbox"/> YES <input type="checkbox"/> NO 5	
IF YES: Will be advertised in the Desert Sun...	
<input type="checkbox"/> YES <input type="checkbox"/> NO 6	
IF NO: Provide a list of the companies expected to receive solicitations to bid.	
COMPANY	ADDRESS
Financial Details	
What is the projected cost/budget for this Contract/PO?	
Processing Options	
Sole Source - TLMA Agency Buyer (< \$25,000)	<input type="checkbox"/> 14
Sole Source - Board of Supervisors (< \$25,000)	<input type="checkbox"/> 15
Competitively Bid - Purchasing Department (< \$100,000)	<input type="checkbox"/> 16
Competitively Bid - Board of Supervisors (< \$100,000)	<input type="checkbox"/> 17
RFQ/RFP/Contract Inclusions	
Pre-Qualification Vendor Information form included in RFQ/RFP.	
<input type="checkbox"/> YES <input type="checkbox"/> NO 18	
Local preference clause included in RFQ/RFP.	
<input type="checkbox"/> YES <input type="checkbox"/> NO 19	
Contract includes M/W/DVBE promotional clause.	
<input type="checkbox"/> YES <input type="checkbox"/> NO 20	
Recommended for Approval	
This package is recommended for Approval...	
SIGNATURE	DATE
Purchasing Department Notification (completed by TLMA Agency Buyer)	
Notice of pending Contract sent to Purchasing Department on.	
<input type="checkbox"/> YES <input type="checkbox"/> 22	
This package is approved by the TLMA Agency Buyer.	
SIGNATURE	

Review/Approve RFPs/RFQs

After preparing all the necessary documents, the Contract Administrator submits the completed documents to the TLMA Agency Buyer and the Director's Office for review and approvals. It is also recommended that the scope of work and cost estimates be submitted for review to functional divisions with particular expertise related to the services to be performed.

Selection Process

The purpose of the submittals to the three groups is different for each. The intended purpose of review by each group is...

DO	Review RFP
Deputy Director review RFP/RFQ (make comments if appropriate) - notify Director of pending RFP/RFQ. Approves scope & selection process.	

AB	Approve RFP
Review & approve RFP/RFQ docs Notifies GSA of pending RFP/RFQ Obtains prequalified Consultant listings from GSA (if exists)	

FD	Review RFP
FD's review scope & budget for area's within their expertise.	

- The submittal to the **Directors Office** is primarily to keep them informed of the activities related to consultant selection processes and to approve the scope of services and the selection process.. This does, however, have the additional benefit of providing a final opportunity for the Directors Office to provide relevant input.
- The **TLMA Agency Buyer** will review the documents for compliance with standard procedures and policies. The TLMA Agency Buyer can also provide available listing of prequalified consultants and is the liaison with the Purchasing Department regarding coordination of impending contracts.
- Reviews by the **functional division** provide the opportunity for input by individuals with potentially better expertise on specific items of work to be performed than is known by the Contract Administrator.

Advertisement and/or Notification

CA	Revise & Send RFP
Incorporate comments in docs. Transmit notice and or RFP/RFQ to Consultants on County list.	

CA	Advertise
Publish Ad (if req'd) Notify AB of Ad (AB will do Ad if PO)	

The availability of an RFQ or RFP should generally be advertised in a major newspaper of general circulation. RCTD Contracts should be advertised in both the Press Enterprise and the Desert Sun to comply with requirements of County Policy B-17. If the selection process includes an RFQ, advertisements may take one of two forms. The most common form of advertisement is publication of the RFQ. The RFQ shall contain sufficient project information, permitting interested consultants to submit appropriate statements of qualifications. In the second approach, the local agency advertises the availability of the RFQ in a major newspaper of general circulation or technical publication of widespread circulation. If requesting only Proposals, advertisement is accomplished using this second approach.

RFQs and RFPs should also be sent to organizations qualified to do the specified work, to professional societies, and to recognized Disadvantaged Business Enterprises and Women owned Business Enterprises (DBE/WBE) and Minority/Women/Disabled Veteran Business Enterprises (M/W/DVBE) organiza-

Selection Process

tions. The TLMA Agency Buyer will initiate the advertisement and will transmit a copy of the RFQ and/or RFP to the Purchasing Department . The procedures developed by the Board of Supervisors to implement County Policy B-17 have established the Purchasing Department as having the responsibility for coordinating with M/W/DVBE organizations. TLMA's resulting responsibility is to provide the Purchasing Department with adequate notification and documentation regarding pending contracting opportunities.

In an effort to establish a consistent coordination procedure, the TLMA Agency Buyer will be the liaison with the Purchasing Department. The TLMA Agency Buyer will transmit notification and relevant documents to the Purchasing Department at the appropriate checkpoints. The Purchasing Department has also been assigned the responsibility of maintaining a database of consultants prequalified to perform services. The TLMA Purchase Agent can obtain lists of prequalified consultants from the Purchasing Department if direct distribution to consultants is desired.

RFQ/RFP Procedures

As discussed previously, there are two methods normally used in selecting a consultant.

- Request for Qualifications (RFQ)
- Request for Proposals (RFP)

The following Sections provide detailed explanations for the procedures involved in the two processes.

RFQ Procedures

CA Request for Qualifications	
Issue RFQ	
Receive & review SOQ	
Determine short list	
Hold pre-proposal meeting	} (or)
Receive & review proposals	
Interview consultants	
Final ranking	
Notify consultants	

Issue Documents to Interested Consultant

On selection processes where consultants are directed to obtain documents from County offices, the Contract Administrator shall issue RFQs to all consultants responding to the advertisement and a list of all consultants that obtain documents should be maintained.

Receive and Evaluate Statements of Qualifications & Develop Short List

The first step in the evaluation process is to determine that each proposal contains all forms and other information required by the RFQ. Submittals may

Selection Process

be considered non responsive if all required information is not provided, and rejected without evaluation. Late submittals, to the wrong location, and submittals with inadequate copies are considered nonresponsive and shall be rejected. Submittal of additional information after the due date shall not be allowed.

The final evaluation of the short-listed firms can be completed using one of two options. The two options are: 1) requesting written proposals or 2) conducting consultant interviews. The Contract Administrator has the option of choosing either process.

OPTION 1 (Requesting written proposal) - Issue RFP to Top Ranked firms

The Contract Administrator provides RFP packets to the top ranked firms as determined by the selection committee. The normal documents and forms included in an RFP packet are identified in Appendix B. A sample of a completed packet is also provided to assist Contract Administrators with the development of an appropriate packet. RFP packets must provide the prospective consultants with the criteria for evaluation.

OPTION 1 (Requesting written proposal) - Conduct Proposer's Conference or Answer Written Questions

RCTD may allow for clarification of the RFP by inviting submittal of written questions or by conducting a proposer's conference, or by doing both. This pre-proposal meeting is optional on County projects, however, it is generally required on Federally funded projects.

RCTD must mail responses to written questions to all consultants receiving an RFP. If a proposer's conference is to be held, the exact time and place must be specified in the RFP. Attendance at a proposers' conference normally is not mandatory. However, consultants not attending the conference will not receive notes from the meeting.

Selection Process

OPTION 1 (Requesting written proposal) - Receive & evaluate Proposals

The Contract Administrator must verify that each proposal contains all forms and other information required by the RFP. If all required information is not provided, a submittal may be considered nonresponsive and rejected without evaluation. Late submittal, submittal to the wrong location, or submittal with inadequate copies is considered nonresponsive and shall result in rejection of the submittal. Submittal of additional information after the due date shall not be allowed. The members of the consultant selection committee must evaluate each proposal in terms of the criteria which was listed in the RFP. The committee must also evaluate reference checks and other information that is gathered independently.

OPTION 2 (Conducting consultant interviews) - Interview Top-Ranked Consultant

The Contract Administrator may elect to conduct consultant interviews in lieu of a request for written proposals. Interviews are to be structured and conducted in a formal manner. Each consultant shall be allowed the opportunity to make a presentation if desired; however, a time limit should be specified. Interview questions should be prepared in advance. Two types of questions may be asked.

- Those questions that will be asked of all competing consultants.
- Questions relating to each specific consultant, based upon the reference checks and the strengths and weaknesses identified during evaluation of the statement of qualifications. The agency can request competing consultants to bring additional information or examples of their work to the interviews if additional information will facilitate the interview or evaluation process.

Additional information requested should be kept to the minimum, i.e., only that information required to select the most qualified consultant for the contract.

Develop Final Ranking and Notify Consultants of Results

The selection committee should discuss and document the strengths and weaknesses of each proposal and develop a final ranking of most qualified consultants. Appendix B contains a sample evaluation rating form that can be used to combine the evaluations of the separate committee members to develop

Selection Process

a final ranking. All consultants interviewed must be informed about the final ranking of consultants. It is important that all competing consultants receive the same information. The Contract Administrator should also notify the Director's office of the selection committees final ranking. Debriefings should be given to consultants if requested. During debriefing, point -by-point comparisons with other consultants should be avoided.

RFP Procedures

CA	Request for Proposals
	Issue RFP
	Pre-proposal meeting (Optional)
	Receive & review proposals
	Determine short list
	Interview consultants
	Final ranking
	Notify consultants

Issue Documents to Interested Consultant

The Contract Administrator shall issue RFP packets to all consultants responding to the advertisement and a list of all consultants that obtain documents should be maintained. The normal documents and forms included in an RFP packet are identified in Appendix B. A Sample completed packet is also provided to assist Contract Administrators with the development of an appropriate packet.

OPTIONAL - Conduct Proposer's Conference or Answer Written Questions

RCTD may allow for clarification of the RFP by inviting submittal of written questions or by conducting a proposer's conference, or by doing both.

RCTD must mail responses to written questions to all consultants receiving an RFP. If a proposers' conference is to be held, the exact time and place must be specified in the RFP. Attendance at a proposers' conference normally is not mandatory. However, consultants not attending the conference will not receive notes from the meeting.

Receive and evaluate Technical Proposals and Statements of Qualifications.

The Contract Administrator must verify that each proposal contains all forms and other information required by the RFP. If all required information is not provided, a proposal may be considered nonresponsive and rejected without evaluation. Late submittal, submittal to the wrong location, or submittal with inadequate copies is considered nonresponsive and shall result in rejection of the submittal. Submittal of additional information after the due date shall not

Selection Process

be allowed. The members of the consultant selection committee must evaluate each proposal in terms of the technical criteria which were listed in the RFP. The committee must also evaluate reference checks and other information that is gathered independently.

OPTIONAL - Develop Short List

The Contract Administrator has the option of creating a final ranking based on the submitted proposals or can elect to develop a short list and conduct interviews of the top ranked consultants to create the final ranking.

OPTIONAL - Conducting consultant interviews of Top-Ranked firms

The Contract Administrator may elect to conduct consultant interviews as a supplemental form of evaluation of the consultants. Interviews are to be structured and conducted in a formal manner. Each consultant shall be allowed the opportunity to make a presentation if desired; however, a time limit should be specified. Interview questions should be prepared in advance. Two types of questions may be asked.

- Those questions that will be asked of all competing consultants
- Questions relating to each specific consultant, based upon the reference checks and the strengths and weaknesses identified during evaluation of the statement of qualifications. The agency can request competing consultants to bring additional information or examples of their work to the interviews if additional information will facilitate the interview or evaluation process.

Additional information requested should be kept to the minimum, i.e., only that information required to select the most qualified consultant for the contract.

Develop Final Ranking and Notify Consultants of Results

The selection committee discusses and documents the strengths and weaknesses of each proposal and develops a final ranking of the most qualified consultants. The members of the consultant selection committee must evaluate each proposal in terms of the criteria which was listed in the RFP. All consultants that submitted proposals must be informed about the final ranking of consultants. It is important that all competing consultants receive the same

Selection Process

Non-Competitive

CA	Noncompetitive
Prepare justification docs	

information. The Contract Administrator should also notify the Director's Office of the Selection Committee's final ranking. Debriefings should be given to consultants if requested. During debriefing, point -by-point comparisons with other consultants should be avoided.

A noncompetitive, negotiated contract (sometimes referred to as Sole Source) may be developed when special conditions arise. The Contract Administrator must carefully document details of the special conditions and retain them in the files for future review. Sole source contracts over \$25,000 must be approved by the Board of Supervisors and sole source justification must be included on the Form 11.

Contract Prep and Negotiations

Negotiations

CA	Negotiations
	Notify DO on selected Consultant
	Negotiations: <ul style="list-style-type: none">• Scope• Schedule• Budget If unsuccessful, restart w/next ranked firm
	Prepare final contract docs.
	Pre-award audit (optional)
	Send docs. to DO through Contract Tracking

After the selection committee has identified a top ranked firm, the Contract Administrator must initiate negotiations and the preparation of the final contract document. The Directors office should be notified of the final choice of the selection committee prior to notice of selection or initiation of negotiations.

The first ranked firm will be notified in writing to meet with the Contract Administrator to negotiate the final scope of services, terms, conditions, and compensation for the services. If the consultant has not received a draft agreement prior to this point, then a copy should be forwarded with this notice.

Generally, consultants are requested to submit a cost proposal in a separate sealed envelope as a part of the RFP. Cost proposals are normally not opened prior to the final ranking of the consultants. This is to comply with the intent of the Little Brooks Act (Appendix A). There may, however, be instances where the cost proposal(s) are used as part of the selection, such as, if the top qualified firms are ranked very close. In this case it would be acceptable to review the cost proposal(s) as a potential final decision maker. It may also be useful to compare costs from the various consultants to help determine a reasonable contract budget. A review of the cost proposal may also provide insight into how well the Consultant understands the scope of work and what is expected by RCTD.

The Contract Administrator may elect to not request a cost proposal as a part of the RFQ/RFP. This would normally be the situation in a RFQ and would reduce the amount of work required of the consultants submitting a proposal. If the consultant has not previously submitted a cost proposal, then he should be directed to do so and submit it prior to the initial meeting with enough advance time to permit an initial review of the proposed cost.

Conduct Initial Negotiation Meeting

The Contract Administrator should meet with the selected consultant's Project Manager to review the submitted cost proposal and ensure that the consultant has a complete understanding of the work that is required. The consultant should be shown as much material as is available regarding the project. Any

Contract Preparation & Negotiation

technical questions regarding the project should be answered completely for the consultant. RCTD reserves the right to amend or modify the project Scope of Services prior to award of a contract, as necessity may dictate, and to reject any and all proposals.

The work is to be performed according to conditions described in the contract using the payment method described therein.

The goal of negotiation is to agree on a final contract that delivers the services or products required at a fair and reasonable cost to RCTD. A fundamental precept in negotiating the contract is that the agency is willing to pay a fair price for the professional services the consultant provides. In return for providing the services and product, the consultant is entitled to a reasonable profit. The independent cost estimate developed in advance by RCTD is an important basis for negotiation. It is also important to have experienced senior level staff involved with or conducting the negotiations. Without relevant experience, it is difficult to anticipate the man-hour requirements for the proposed work tasks. It is highly recommended that at least one senior level staff member review the proposed budgets in addition to the Contract Administrator. Items typically negotiated include:

- Work plan
- Schedule
- Products to be delivered
- Classification and experience level of personnel to be assigned
- Cost items, payments and fees

In order to facilitate the negotiation process and administration of the contract by the Contract Administrators, basic formats for cost and man-hour proposals have been developed for use by consultants. Consultants should be directed to prepare their proposals in formats that are consistent with the sample formats. These documents are described in more detail later in this chapter.

If the Contract Administrator fails to conclude an agreement with the top ranked consultant, a new negotiation is started with the next highest ranked consultant. If this new negotiation fails the process is repeated until a contract is negotiated

Contract Preparation & Negotiation

successfully.

When negotiations have been successfully completed, a formal contract agreement for services to be provided will be prepared.

Develop the Final Contract

The Contract Administrator prepares the necessary contract documents. A standardized contract (boilerplate) has been developed by RCTD staff to assist Contract Administrators with the development of the final contract. A sample contract document for a full service engineering agreement is provided in Appendix C. The contract boilerplate consists of the following four primary sections:

- Main Body: Parties, Conditions, Performance, Compensation, Approvals
- Appendix A: Scope of Services
- Appendix B: Schedule of Services
- Appendix C: Budget

Main Body

The main body contains the necessary legal provisions, terms and conditions under which the consultant is expected to function. This section of the boilerplate generally requires only minor modifications to identify the parties, cooperating agencies, and the signatories. The boilerplate was, however, developed for a full service engineering contract and when used for other types of services may require further minor modifications. For example, the sample contract, provided in Appendix C, in Article IV - G (quality control) on page 4, contains a discussion as follows "All plans, calculations, documents and other items submitted to COUNTY PROJECT MANAGER for review ...". If the services to be provided do not include the preparation of plans, such as an environmental assessment or surveying services, then the word "plans" should be removed from the agreement.

This boilerplate agreement was developed in conjunction with County Counsel and is therefore efficiently processed through legal review when used on individual projects. Significant modifications to the boilerplate can slow down the legal approval process.

Contract Preparation & Negotiation

Scope of Services

One of the most important steps in developing a consultant contract is the preparation of a comprehensive scope of services. This requires a dedication of substantial staff time; however, a complete scope of services will save a great deal of time and misunderstanding in the negotiation phase. The scope document must be clear and precise. It will serve as the foundation for the consultant's proposal and contract. Without this understanding, it is impossible for the consultant to provide a quality product. Ambiguities and inaccuracies because of poor scope of services may result not only in errors and omissions during the preconstruction phases, but also during the construction phase when correcting may be very costly and involve litigation.

The detailed scope of services describes for the consultant what work will be required, the conditions under which the work must be conducted, how achievements will be assessed, and what the obligations of both the consultant and RCTD will be. The Scope of Work should be subdivided into separate phases with specific deliverables to facilitate monitoring and tracking of work progress. Usually 3 to 4 phases works well. Having separate phases provides definable check points along the development of a contract. These checkpoints provide concrete evidence as to the status of the contract in relation to the expenditures.

RCTD uses consulting services on multiple occasions for similar types of work. This has resulted in the development of a small library of scopes of works for specific types of services. These scoping documents are provided in Appendix J and can be used by Contract Administrators to facilitate the development of the Scope of Work for a given contract.

Schedule of Services

The schedule previously established should be reviewed and updated for completion of the work consistent with the needs of the agency. A date for termination of this agreement should be provided and it is recommended that deliverables be identified and listed with anticipated dates of delivery. If the Scope of Work has been subdivided into phases, then separate completion

Contract Preparation & Negotiation

dates should be identified for each phase. Appendix H provides guides to help in the development of a project schedule and also provides sample formats for identifying deliverables.

Budget for the Services to be Provided

Standard formats for development of cost and man-hour proposals have been developed to facilitate the negotiation process and the development of the final contract documents. These worksheet formats are provided and discussed in detail in Appendix G. Cost proposals worksheets should be prepared for each phase, as defined in the Scope of Work, and man-hour proposal worksheets should be prepared with specific hours for each task identified in the Scope of Work. The man-hour proposal is the basic tool used to analyze the reasonableness or validity of a consultants proposal. The use of man-hours eliminates the variance in salaries paid to employees by different consulting firms, thereby providing a consistent evaluation methodology. The cost proposal worksheets can be used to identify unreasonable charges such as excessive salaries and/or excessive charges for computers, photo copies, or other direct expenses. The recommended format has been developed in conjunction with the invoice/progress payment formats created for use by consultants. It is therefore important to develop the cost proposal worksheets in the format provided in order to facilitate the administration of invoices that are submitted for payment. Additionally, using a consistent format inherently creates a pattern of consistent and fair treatment of all consultants.

Proposed agreements for consultant services must be reviewed by the Contract Administrator to verify that:

- appropriate conditions are included and objectionable features are deleted.
- compensation is fair and reasonable.
- work activities and schedules are consistent with the nature and scope of the project.

Before approving an agreement for consulting services, the Contract Administrator must be satisfied that the consultant's organization is

- qualified to perform the services required.

Contract Preparation & Negotiation

- in a position, considering other work commitments, to provide competent and experienced personnel to perform the services in the time allowed.
- fully apprised of all applicable federal and state laws, including implementing regulations, design standards, specifications, previous commitments that must be incorporated in the design of the project, and administrative controls. The agreement must provide for a level of acceptability and a statement to the effect that the consultant is required to modify its work as necessary (to meet that level of acceptability as defined in the agreement). The agreement shall provide for reviews at appropriate stages during performance of the work to determine if any changes or other actions are warranted. These reviews should be made by RCTD.

Audits

The Contract Administrator can require a pre-award audit prior to the award of a contract. Generally, a Contract Administrator would request an audit only when one of the following conditions exist.

- There is inadequate knowledge about the consultant's accounting procedures.
- There has been a previous unfavorable experience with the consultant's estimating or accounting methods.
- It is the first time a consultant has performed services for RCTD.

The purpose of a pre-award audit evaluation is to provide RCTD with professional advice on accounting and financial matters and to assist in the award and administration of proposed consultant contracts. The audit must be as broad in scope as necessary to meet the following objectives.

- Determine if the cost accounting system is capable of accumulating reasonable, allocable, and allowable costs.
- Determine if the consultant is financially capable of performing the required services.
- Determine the administrative systems' adequacy and the availability of applicable key personnel to perform the contract.

The Contract Administrator has the responsibility to ensure that the final negotiated contract is complete and to verify that all required backup documents have been provided. After such an agreement is reviewed and accepted by the Contract Administrator and the prospective Engineer the agreement must be processed through the Board of Supervisors for approval.

Award Process

Directors Approval

DO	Approval
Directors Office reviews and recommends contract approval to Board. Sends to Board through the Executive Office	

CC	Approval
County Counsel reviews the agreement and provides approval or returns with comment.	

Board Approval

Board	Approval
Approves contract (If greater than \$100,000 and competitively bid or if greater than \$25,000 and sole source, otherwise, Purchasing Department can approve.	

After the Agreement has been executed by the Consultant, the Contract Administrator must prepare a Form 11 and complete a Contract Routing & Approval form. A sample Form 11 is provided in Appendix C and a blank Contract Routing form is provided in Appendix I. These two documents are combined with the agreement and forwarded to Contract Tracking for processing. This contract package is then routed to the Deputy Director first. The Deputy Director provides his approval on the Contract Routing Form and forwards the package to the Director. If the Director approves the package he will sign the agreement and Contract Routing form and forward the package to Contract Routing. Contract Routing then forwards the package to County Counsel. County Counsel will approve the agreement as to form and will sign the Form 11 document and the Agreement or will return the agreement without approval and with comments.

If approved by County Counsel, the package will be forwarded to the Executive Office for processing to the Board for approval and execution. If approved by the Board, the Contract Manager can then issue Notice to Proceed to the Consultant.

Note: If the formal RFP process is followed, contracts up to \$100,000 can be awarded by the Purchasing Department in lieu of going to the Board.

Contract Administration

Introduction

Contract Administrators are responsible and accountable for maintaining technical and administrative control of both the project and the consultant. The Contract Administrator is the agency person authorized to direct the consultant's assigned activities. The Contract Administrator should be experienced in the technical aspects of the work being contracted for and have a working knowledge of the administrative contract management process.

The most effective consultant management process is one which closely resembles the management process for projects developed in-house. This benefits the agency in terms of reduced effort during review and approval processes and brings greater efficiency to development of quality products.

The work involved and quality of Contract Administration is greatly influenced by the process and procedures that have occurred in the selection of a consultant and the development of the contract. If the selected consultant is capable and qualified and the contract document provisions are sufficient and clear, then the contract administration is far more likely to be straight forward and glitch free. Using unqualified consultants and poorly prepared contracts can lead to difficult and problematic projects. The process and procedures described in this chapter have been developed in conjunction with the pre-award activities and documents described in the earlier chapters. The forms and documents recommended in the pre-award stage are consistent with the documents described in this chapter. Using the procedures and documents as recommended for both pre-award and post-award stages will provide a consistent and efficient methodology for managing the consultants.

Contract Administration

Getting Started

CA	Startup
	Provide notice to proceed Hold pre-design or Partnering meeting Establish Development Team Meetings

Project work begins immediately after the notice to proceed is issued to the consultant. This notice establishes the beginning date and may include items such as: (1) names of the agency's designated authorized representative(s) under whom all services of the contract will be performed, (2) design conference dates, (3) key points of the contract, (4) transmittal of the executed contract to the consultant, and (5) forms and instructions for reporting progress and preparing, payment requests. Thereafter RCTD manages and administers the contract to ensure that a complete and acceptable product is received on time, within standards, and within budget. Contract administration activities ensure that contractual obligations are completed satisfactorily. Generally, these activities include

- providing direction to the consultant.
- assuring adequate communication & coordination.
- monitoring project progress and compliance with contract requirements.
- reviewing invoices, approving payments, and controlling costs.
- reviewing & accepting project deliverables.
- record-keeping and reporting.
- identifying changes to the scope of work and preparation of amendments.
- close out the contract.

Good communication among the consultant, the Contract Administrator, and other affected parties is crucial to the success of the project. To assure that all parties have a clear understanding of the process and requirements, consultant contracts should begin with a project kickoff meeting.

Communication & Coordination

CA	Contract Completion
	Setup Communication & Establish Coordination Monitor Project Status & Provide Technical Oversight <ul style="list-style-type: none"> • Process Invoices & Progress Reports (> TLMA Admin) • Review Deliverables (> FD's) • Establish Quality Control Provide Administrative Control <ul style="list-style-type: none"> • Process Contract Supplements • Issue Stop-Work Notices • Maintain Contract File

Kickoff Meeting .

Post-award/pre-design orientation meetings with consultants to discuss procedures during the contract period will eliminate many misunderstandings. These meetings should cover such issues as progress reporting, payment requests, identification of communication channels, interpretation of contract terms and conditions, contract modifications, scope of work, goals for a successful project and other related items. In some cases, a simple orientation meeting may not be sufficient. On complex projects or projects with a large number of parties involved it may be prudent to hold a partnering conference.

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Partnering conferences may be held at the onset of projects at which all interested parties meet to establish formal commitment to common goals and objectives, clarify communication and disputes resolution links, and begin team building activities to facilitate good project communication. These conferences may be conducted by a hired facilitator or in-house staff experienced in partnering activities. Follow-up conferences help keep the project development in line with established goals and objectives and renew team building.

One of the important objectives of the Kickoff meeting or a partnering conference is the establishment of periodic meetings in which the relevant and interested parties (the Project Development Team) meet to discuss project issues and status.

PDT meetings

Periodic agendaized meetings should be scheduled so all participants can plan accordingly. Minutes of these meetings should be kept and distributed to all interested parties. Among other objectives, PDT meetings should be conducted to ensure the milestones established in the work schedule of the contract are on schedule. As necessary, additional conferences between the consultant, the agency, and other appropriate staff should be conducted.

Consultant Office Visits

Visits to the consultants office allow the Contract Administrator and/or Contract Manager to become familiar with the Consultant's firm and staff, and to review and verify progress to date. This will foster development of a good working relationship between the agency and consultant. Such visits may be announced or unannounced.

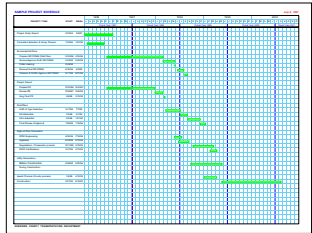
Electronic Transfer of Technical Data

With the advent of the internet, electronic communication has become a tremendously efficient form of communication and coordination. Many of the consultants deliverables for roadway design are required in a standardized electronic format. Also, work on the preparation of electronic documents by in-house personnel for use by consultants is currently going on. This in-house

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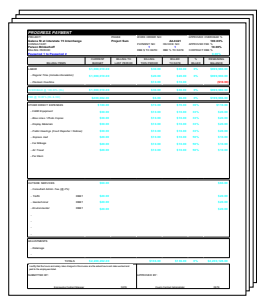
work currently includes the development of Standard Title and Plan sheets and development County Standard plans in Microstation Cadd format. Use of floppy disks or electronic transfer of this type of data is recommended in instances where the process is acceptable and beneficial to RCTD and the Consultant. In addition, some County projects are making extensive use of internet e-mail as an efficient way to communicate with the PDT members.

Status & Oversight



Project Management System

RCTD's program management team uses Prima Vera scheduling software to track the status of the major phases of all projects in the current year of the seven year Transportation Improvement Program. It is recommended that consultants be required to use similar software to track the detailed task activities that are necessary to accomplish all contract deliverables. The use of computerized systems facilitate the timely updates of project status on an as needed basis.



Invoice Submittals & Progress Reports

The consultant shall invoice at the agreed frequency (usually monthly) for the work performed on the contract on a format provided by the agency. Invoice submittals consequently do not generally coincide with the submittal of deliverables. It is therefore necessary to develop a methodology to verify and justify the approval of all invoices submitted for payment.

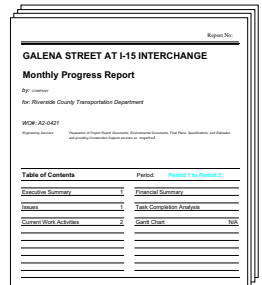


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Garage Check	3

Justification is accomplished by the submittal of a progress report along with each invoice submitted. Progress reports analyze and report on the status of work activities and are used to validate invoice submittals. Progress reports should cover the same time interval and should be furnished in conjunction with each invoice. The progress report is prepared as a separate document so that it may be shared with Project Development Team members or with Agency Management that has interest in the project status. These groups are usually not involved in monitoring the consultants contract budget and therefore would not want all the invoice documentation included in the progress report.

Invoice boiler plates have been developed for use by consultants. The format of the invoice boiler plate was developed to be consistent with the format provided to consultants for submittal of cost proposal documents. Progress

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Report boiler plates have also been developed for use by consultants. The Progress Report boiler plate format was developed to complement the invoice submittals and allow Contract Administrators and accounting personnel to verify work shown on each invoice. Sample Invoice and Progress Report formats are provided in Appendix D and E, respectively.

The Contract Administrator reviews and approves payment requests based on satisfactory project progress and in accordance with contract payment criteria. Accounting personnel are responsible for reviewing the calculations and completeness of invoice documents and for verifying compliance with County policies and requirements. Costs incurred prior to the authorization date or when work is not authorized (stop-work periods) are usually not eligible for reimbursement.

The contract boiler plate, prepared for engineering services, includes the implementation of a retainage fee. For engineering design services this is intended to assure that the contract budget is not completely spent prior to approving and endorsing a final contract plan package.

Review Forms

The 'Design Review Reading Sheet' form includes a header for 'Project Name' and 'Project Number'. It features a table with columns for 'Design Element', 'Reviewed By', and 'Date'. The 'Design Element' column lists various categories such as:

- Design Office
- Right-of-Way Group A
- Right-of-Way Group B
- Right-of-Way Group C
- Design/Construction
- Utility Design/Construction
- Utility Engineering
- Construction Planning
- Construction Administration
- Construction
- Construction Management
- Construction Safety
- Construction Quality
- Construction Cost
- Construction Schedule
- Construction Risk

 Each row has a corresponding checkbox in the 'Design Element' column and lines for 'Reviewed By' and 'Date'.

The 'Design Review Comments' form includes a header for 'Project Name' and 'Project Number'. It features a table with columns for 'Design Element', 'Comments', 'Date', and 'Reviewed By'. The 'Design Element' column lists the same categories as the 'Design Review Reading Sheet' form. The 'Comments' column is a large text area for recording review notes. The 'Date' and 'Reviewed By' columns are for tracking the review process.

Product Delivery, Review, and Acceptance

The Contract Administrator will receive all work product and deliverables submitted by the consultant. In order to assure that the final product is of acceptable quality it is imperative that product delivery be routed for review to relevant technical groups. The Contract Administrator is therefore responsible for making certain that submittals are distributed to the appropriate reviewing parties.

Functional Division shall perform appropriate reviews and transmit comments back to the Contract Administrator. The Contract Administrator shall then compile the comments into a single comment package and return consolidated comments to the consultant. In an effort to facilitate the Contract Administrator's compilation of the comments from the various Functional Divisions, it is recommended that a standardized format for preparation of comments be used. A recommended format for review comments is provided in Appendix I (forms).

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It is important that all appropriate reviewers receive the opportunity to review plan submittals. This includes departments of the County other than the Transportation Department such as Flood Control or Environmental Health. It may also include other Agencies or organizations such as Caltrans or utility companies. A Review Responsibility Matrix is shown below that identifies the general internal reviewing responsibilities for typical engineering documents submitted to RCTD.

Review Responsibility Matrix

	Directors Office	PDG A, B, or C	Development Plan Check	Highway Operations	Construction Inspection	Traffic Engineering	Trans. Planning/Development Review	Materials Laboratory	Survey	Administration Accounting	County Counsel
Road Plans - Conceptual (PSR)	●	●	●	●	●	●	●				
Traffic Studies		●	●			●	●				
Geotechnical Investigations & Material Reports		●	●	●				●			
Mapping & Surveys		●	●						●		
Other Engineering Studies		●	●								
Environmental Special Studies		●					●				
Road Plans - Preliminary (PR) (35%)	●	●	●	●	●	●	●	●			
Bridge Plans - Conceptual (Type Selection)		●		●	●		●				
Environmental Document	●	●					●				
Road Plans - (65%) (only on complex projects)		●	●	●	●	●					
Bridge Plans - (65%)		●		●	●						
Right-of-way Docs (Maps, Plats, & Legals)		●							●		
Road Plans - Draft Final (95%)	●	●	●	●	●	●	●	●			
Bridge Plans - Draft Final (95%)	●	●		●	●						
Road Plans - Final (100%) (for signature)	●	●		●	●		●				
Bridge Plans - Final (100%) (for signature)	●	●		●	●		●				
Invoices		●								●	
Progress Reports		●								●	
Agreements	●	●								●	●

● Design review on some occasions may be conducted by Plan Check in lieu of PDG Groups
● Primary review authority
● Provide review, comments and/or approvals

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Administration

Quality Control

The contract boiler plate includes provisions requiring consultants to have a quality control plan in effect during the entire time services are being performed under the contract. On-site visits by the Contract Administrator should be conducted to verify use of the quality control program.

Administrative monitoring of the project includes verification that the consultant is: (1) complying with the terms and conditions of the contract, (2) processing requests for payment, (3) processing modifications to the contract, and (4) responding to requests for assistance. Monitoring activities should be appropriately documented by the Contract Administrator or contract manager. Other documents and processes which are the responsibility of the Contract Administrator or contract manager are as follows:

Insurance

The Engineering Services Agreement boiler plate (appendix C) includes insurance requirement in Article IV.M. The consultant must show proof of insurance coverage as required by the terms and conditions of the contract prior to Notice to Proceed. Current certificates of insurance should be retained in the contract file for the duration of the contract. In the event the consultant's coverage is canceled or expires, work should be stopped until the insurance is reinstated and proof furnished to the agency.

Maintaining the Contract File

RCTD should maintain a contract file for the purpose of making audits, excerpts, transcriptions, or examinations. In addition, all consultants are required to keep records of all work and documents for a period of not less than three years. It is obviously beneficial to the Contract Administrator and to RCTD if the Consultants maintain the project files in a consistent and uniform manner. However, at this times RCTD does not have a standard format for structuring a file system. As a result, it is recommended that Consultants maintain a filing system using the Caltrans Uniform File System. Many, if not most, of the Consultants used by RCTD also preform work for Caltrans. As a result, these firms are often already familiar with the Caltrans Filing format. Although the

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Caltrans format was created for Caltrans and not for RCTD, the standardized format and Consultants familiarity make it a practical alternative until RCTD develops a standardized format. A copy of the Caltrans Uniform Filing System - General Guidelines has been included in Appendix F for reference.

Modifications

When changed conditions or extra work occurs on a project, a contract modification should be executed to address those changes. While a well-detailed scopes of services will reduce the need for modifications, design is a discovery process and changes will occur. Modifications are generally used to authorize changes in the project schedule, budget, and/or scope of services. RCTD should acknowledge the need for a modification and initiate the modification process in most cases. If the consultant initiates a modification or feels that there may be deviations from the contracted scope of services, the consultant should provide to RCTD written justification, support, and cost proposal prior to any additional work being performed. The following parameters should be followed when considering a contract modification:

- A modification should be prepared, processed, and executed by all parties to the contract prior to authorizing work.
- While there is no specific limit on the amount by which a contract may be modified, the agency should guard against unrelated and/or major changes. The changes should be closely related to the original scope of work. If the changed condition is for work outside the original scope, a new procurement may become necessary.
- If a time extension is required to complete the authorized work, a contract modification should be executed prior to the expiration date of the contract. Depending on the reason for the time extension, a cost adjustment may also be warranted.
- The consultant should notify the agency immediately if at any time during the contract period it appears that additional compensation will be a possibility. Requests for additional compensation should be analyzed by examining the consultant's progress and justification. Justifications may include a change in the character or complexity of the work or extra work required by the RCTD.
- If the work authorized by the contract is increased or decreased, or if the character of the work is revised, a modification to the contract may be required. Modifications should not be used to add work of a totally different type than that authorized by

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the original scope of services.

- Decreases in the scope of services, the contract time, or the maximum amount payable may occur. A modification may be processed to document these changes so the consultant will not appear to have defaulted or otherwise not performed work required by the contract. The Contract Administrator needs to take the initiative when there is a significant decrease in scope of services. Generally, a consultant is slow to react to budget reductions.

Modifications are generally not required to address minor changes which are compatible with the scope of services unless they result in an increase to the maximum amount payable. However, a record of minor changes should be kept. Minor changes can accumulate to the point where a significant impact could occur.

The Contract Administrator and contract manager should ensure that an actual change in the scope of services has occurred and that the modification is not a result of rework or unsatisfactory work on the part of the consultant. Modifications should be in compliance with the terms and conditions of the contract.

Changes in scope of work or budget amounts may require approval by the Board.

Stop-Work Notification

In the event that the consultant's performance is unsatisfactory, or it is deemed in the best interest of the agency to cease work on a project, a written stop-work notification should be issued to the consultant. The consultant may not proceed with work on the project unless a subsequent authorization to proceed is given. If it is determined to be in the best interest of the agency to stop work or terminate the contract, it should be done in compliance with the terms and conditions stated in the contract.

Post-Design Services

The designer should be available during the construction phase to promptly answer questions and address issues concerning the project design intent. The Contract Administrator should ensure that communication among the consult-

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ant. Contract Administrator and construction staff is facilitated. This will allow problems to be resolved quickly and at the lowest possible level. On some projects it may be advisable to include in the contract, or in a separate agreement, a provision for use of the design consultant to review shop drawings and to respond to design issues that may arise during construction.

Errors and Omissions

In the event a design error or omission exists, the consultant should be informed as soon as possible and given an opportunity to provide any information deemed appropriate toward resolution.

Following acceptance of the work and final audit if needed, the agency closes the contract file. It is recommended to close out consultant contracts quickly. However, such closeouts should be delayed until after physical construction of the project is completed. Waiting for project completion will ensure the consultant's availability should problems arise or the need for change occurs.

Final Payment

Final payment to the consultant is made prior to or in conjunction with closeout. Closeout may involve release of retainage or guarantees.

Performance Evaluation

The Contract Administrator should evaluate the consultant's performance after the consultant's final report has been submitted and the Contract Administrator has conducted a detailed evaluation with the consultant's Project Manager.

Contract Closeout

CA	Close out
Close out contract	
<ul style="list-style-type: none">• Make Final Payment• Evaluate Consultant	