
**ACEC/ITD Liaison Committee Meeting
May 22, 2024 - 3:30 pm
ITD HQ, C1 American Falls Conference Room
Meeting Minutes**

ATTENDEES:

Tim Blair (JUB)	Jeremy Robbins (NV5)
Dave Butzier (AECOM)	Molly Loucks (Burgess & Niple)
Paul Wasser (Schnabel)	Dave Kuisti (ITD)
Bryan Foote (Horrocks)	Mohsen Amirmojahedi (ITD)
Bill Russell (Ardurra)	Ronnie Winks (ITD DBE Coordinator)
Ryan Olsen (GeoEngineers)	Ellen Smith (ITD DCOM – by phone)
Justin Walker (Keller)	Monica Crider (ITD by phone)
Heather Carroll (Jacobs)	Laila Kral (LHTAC)
Paul Ashton (Parametrix)	Taylor Bothke (ITD)

Old Business

1. LHTAC Lump Sum Contracting Review -Heather C

- Laila Kral provided an update on LILB program that is utilizing Lump Sum Contracting. Administrative costs are kept low due to no fewer and simpler that need to be reviewed. The incentive is to complete the projects in a timely manner. Invoices are based on key milestones reached instead of billing each month. Interim payments have been allowed if the design process is lengthy. Contracts with unknowns have been contracted through preliminary design and then a new contract is issued for the remaining design. As a result, most projects have been delivered earlier. No performance issues.
- Issues – Contracted directly with geotechnical and environmental directly. LHTAC included hours for coordination with geotechnical and environmental firms. Same process with scoping and level of effort.
- LHTAC has been flexible in milestone payments if delay was not due to the consultant. Geotechnical direct expenses are submitted separately. Invoices submitted to LHTAC does not include the 771 form, but performance is considered when reviewing invoices.
- Bundling design results in efficiency.
- LHTAC has successfully administered lump sum projects on federal aid projects. Typically, they are low risk projects.

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- Monica Crider was concerned about using the lump sum contracting method due to their internal audit process. Brian Foote and Molly Loucks indicated that the New Mexico DOT and Virginia DOT use lump sum contracting methods on their projects. Monica requested contact information at these DOT's.
 - ACTION ITEMS:

1. Brian Foote to provide contact information for the New Mexico DOT
2. Molly Loucks to provide contact information for the Florida and Arizona DOTs

Arizona DOT

Steve O'brien – group administrator for the project management team
Schedule through his admin – Cheryl Taylor

ctaylor@azdot.gov

602.712.7329

Florida DOT

Carla Perry, P.E.

Manager, Procurement Office

605 Suwannee St Tallahassee, FL 32399

Tel: 850-414-4484

Carla.Perry@dot.state.fl.us

New Mexico DOT

Christina Baca

Chief Engineer

505-469-8800

Christina.baca@dot.nm.gov

2. Additive Bid Items -Justin W

- The volatility of construction costs have put some projects in a difficult situation. When construction costs come in well over what is available for funding, consultants are forced to revise the design to keep costs within the available funding limits.
- Potential solution is to provide additive bid items in the bid documents. Pilot project with LHTAC with delivery in October to include additive bid items, which FHWA has approved. There are hurdles with AASHTOWare since this can't be done with the software. This would have to be done the old way with hard copy bids. The advantage is to save time because of rejection, redesign, and then bid again.

3. Limitation of one rate adjustment per year update in consideration of ACEC letter (Aug 21, 2023)-Monica C

- ITD policy is allowing one wage increase per employee per year for cost plus fixed fee agreements. Monica has had discussions with DE's and they are comfortable with what is occurring.
- Consultants have had to make multiple increases each year due to the shortage of engineers in the area and high demands from other consultants.
- Issues that Consultants are facing is submitting certified wage rates with each invoice that are not correct. Consultants are paying the higher wage to keep the employee, but they can only bill out at the lower rate, which undermines the intent of cost + fixed fee. This causes issues in accounting having to track multiple rates on different ITD projects. The contract total on these projects does not change. Consultants are actually burning through the contract amount quicker with the higher rates, but are still obligated to complete the work under the contract amount. Supplements are set at current rates.
- Monica will have a discussion with DCOMs.

4. Wage escalation allowance for projects that start mid-year and extend through the next year-Tim B

- Research was done to see what other states are doing. Ten states don't have escalation at all in their contracts.
- ITD allows 4% escalation – No change.
- Consultants updates rates at different times of the year

5. Increases to Consultant Term Agreement limits policy change update —Monica C

- **\$100k direct select limit**
- **RFI limits**
- **RFP limits**
- **Term agreement limits**
- Paul Wasser researched and summarized the code for Monica. \$150k has to be updated in the PSAP to get accounted for the direct select. Monica will update and get the feds to approve.
- The ITD Board will have a say on the RFI, RFP and Term Agreement limits. At this point in time, there will be no change.
- ITD asked to move this agenda to the Parking Lot for future meetings.

6. LHTAC Representative Attendance to ITD-ACEC committee meetings-Justin W

- The two committees have a lot in common where the LHTAC committee has to wait to get word from ITD on similar issues. In the past there has been a representative at the ITD meetings. It would be beneficial to have a LHTAC

representative at the ITD meetings.

7. Update on DBE target percentages for design contracts-Monica C / Taylor B & Ronnie W

- ITD is currently looking at the DBE percentages and goals especially with the recent changes with Bionomics. On October 1st ITD will be implementing new changes to the DBE goal.

8. TECM Update and Staff Changes -Mohsen A

- Amy Schroeder has moved to another role at Headquarters,
- Shawna King is now the engineering manager at District 3
- Eric Staats is now in charge of TECM

9. Status of Quarterly Forecast Update, Closed RFPs, Evaluation Distribution-Monica C

- Philosophy of procuring services for a project—number of solicitations/grouping of task (Molly L)
- Molly asked the question if PEL with an option to go through PS&E will be the new trend for ITD projects. Response from ITD is that it is a project-by-project decision. For some larger projects it makes sense.

10. Distribution of Updated ITD 771 (April 8th) -Mohsen A

- ITD has a new 771 form where ITD will provide a review on each invoice. Once ITD has completed the 771 form, ITD submit back to the Consultant Project Manager. Consultants can respond to ITD feedback, which will be kept on file.

New Business

1. New Environmental requirements for geotechnical

- Paul Wasser indicated that the new change in the environmental process for geotechnical explorations (Forms 649 and 654) has impacted the schedule and level of effort.

Parking Lot

1. Update to Environmental Services Categories for Term Agreement (Ester C)