

Local Project Administration Training

Hiring Consultants

(LPA Manual, Chapter 2)



Qualifications Based Selection

- ❖ Choose consultants based on qualifications.
- ❖ Should be ranked based on **scoring** criteria:
 - Experience with similar projects, record of on-time delivery, accomplishments of personnel, etc. ...
- ❖ Price **cannot** be a scoring factor.
- ❖ After scoring is done, open price proposal and negotiate with **highest-ranked** consultant.
- ❖ Regulations: 23 CFR Part 172.

Selection Process

1. Develop scope of work.
2. Prepare an independent estimate.
 - Will determine the selection method.
 - Will be starting point for negotiations.
3. Prepare and issue Request for Proposals.
4. Score technical proposals.
4. Open price from top-scoring firm and negotiate.

Independent Estimate

What goes into an estimate?

- Tasks, based on Scope of Work
- Consultant positions
- Hours by task and position
- Salary by position
- Overhead rate (typically 160% to 180%)
- Profit/Fee (8% to 10%)
- Direct expenses (travel, sub-consultants, printing)
- Template is online: maine.gov/mdot/lpa/lpadocuments/

Estimate Worksheet

INDEPENDENT ESTIMATE

Scope: Multi-use pathway in an urban setting
Phases of Work: Preliminary Design, Final Design, PS&E Submittal
Orig. Date: _____
Revised Date: _____
Prepared By: _____

	PRINCIPAL	Project Manager	Project Engineer	Designer	CADD Technician	Survey Crew Chief	Survey Worker	ADMIN SUPPORT	TOTAL		
Task Descriptions	Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours	Hours		
Survey	2	4	12	10		160	160	4	352.00		
Alignment and Profile	2	6	18	20	40	150	200	4	440.00		
Utility Coordination	2	3	12	8	8			4	37.00		
Preliminary Design Report Submittal	3	16	40	40	60			10	169.00		
Public Meeting(s)	6	16	16	6	10			6	60.00		
Meetings with Municipal Staff	6	16	24	12	10			4	72.00		
Environmental Permits	2	1	14	10	24			2	53.00		
Design Plan Impacts Submittal	2	16	40	40	24			10	132.00		
Construction Estimate Preparation	2	10	40	40	40			3	135.00		
Final Design	2	16	40	150	200			4	412.00		
Project Specifications	6	16	40	60	20			12	154.00		
Final PS&E Submittal	6	16	24	20	40			10	116.00		
									0.00		
									0.00		
									0.00		
TOTAL HOURS	41.00	136.00	320.00	416.00	476.00	310.00	360.00	73.00	2,132.00		
HOURLY RATE	\$62.00	\$62.00	\$50.00	\$45.00	\$36.00	\$45.00	\$42.00	\$24.00			
DIRECT LABOR TOTAL	\$2,542.00	\$8,432.00	\$16,000.00	\$18,720.00	\$17,136.00	\$13,950.00	\$15,120.00	\$1,752.00	\$93,652.00		
DIRECT EXPENSES								Overhead %	150.00%	\$140,478.00	
Travel	\$5,000.00								Profit/Fee %	10.00%	\$23,413.00
Printing (External Use)	\$1,500.00								Subtotal =		\$257,543.00
Telephone	\$800.00								Total Direct Expenses =		\$17,300.00
Sub-Consultants	\$10,000.00										
TOTAL DIRECT EXPENSES =	\$17,300.00									\$274,843.00	

Selection Methods

(LPA Manual, Chapter 2 – Section 2.4)

- ❖ Simplified process may be used if contract $\leq \$25,000$.
 - Request proposal from single, prequalified consultant.

- ❖ Competitive process must be used if estimated cost $> \$25,000$ and $\leq \$250,000$.
 - Use an advertised RFP; or
 - Email RFP directly to 3 to 5 prequalified consultants.

- ❖ Advertised RFP must be used for contracts estimated to be $> \$250,000$.

Selection Process

(LPA Manual, Chapter 2, page 2-5)

	Simplified	Competitive	Advertised
	≤\$25,000	>\$25,000 to ≤\$250,000	>\$250,000
• Contract Value			
• Develop a Scope of Work.	x	x	x
• Generate a Government Estimate.	x	x	x
• Select the most qualified consultant from a list of Pre-Qualified firms.	x		
• Request a cost proposal from the most qualified consultant.	x		
• Develop Scoring Criteria.		x	x
• Develop a Request for Proposals (RFP), to be reviewed by the MaineDOT's Project Manager.		x	x
• Send finalized RFP to 3 to 5 Pre-Qualified firms, requesting a technical and separate sealed cost proposals.		x	
• Advertise finalized RFP, requesting a technical and a separate sealed cost proposal.			x
• Organize an evaluation team who will review the RFP technical submittals.		x	x
• Review technical proposal (Revise Independent Estimate if necessary).	x	x	x
• Open sealed cost proposal from the number 1 ranked consultant.		x	x
• Negotiate scope of work, schedule, and a fair and reasonable price.	x	x	x
• Best and final Offer.		x	x
• Execute contract.	x	x	x
• Issue written Notice to Proceed.	x	x	x

Consultant Price Proposals

- ❖ Two options:
 1. Request sealed price proposals from everyone, up front;
 2. Request only from top proposer, after scoring.
- ❖ Use option 2 if proposals submitted by email.
 - Preferred method, in most cases.
 - Give consultant five days.
- ❖ If using #1, open price **only** from top firm.
 - All other price proposals must stay sealed.

Salary Limits

- ❖ As of now, direct salary is capped at **\$85/hour**.
 - Applies to new contracts & adjustable rate contracts extending into 2025 and later.
- ❖ Rates must be supported by Appendix A1 Form showing personnel and actual pay rates.
 - Form is online: www.maine.gov/mdot/lpa/lpadocuments/
- ❖ Waiver is needed for higher rates.
 - Form is also online.
- ❖ No limit on overhead, but it must be supportable.

Consultant Prequalification

www.maine.gov/mdot/cpo/prequal/

What's New

Open Prequal Now Posted

MaineDOT is now accepting Open Prequalification Applications

About
Prequalification

Open Prequal
Application

Perpetual Prequal
Application

Prequalified
Firms

What Does it Mean to be Prequalified?

MaineDOT uses a Qualifications Based Selection (QBS) process when awarding non-construction contracts. Our list of prequalified firms forms the foundation of MaineDOT's consultant selection process when awarding contracts with State and/or Federal funding valued at \$250,000 or less.

Being pre-qualified for service item(s) under a specific service area does **not** mean a consultant is pre-qualified to perform all work generated by MaineDOT within that service area; the project scope and the complexity of same should be taken into consideration when considering a consultant from our list of pre-qualified consultants.

Consultant Prequalification

(LPA Manual, Chapter 2, Section 2.5)

- ❖ You should refer to MaineDOT's lists of prequalified consultants when issuing RFP's.
- ❖ In most cases, you should solicit proposals from prequalified consultants.
- ❖ Common Categories:
 - 202.10 – Reconstruction/Rehabilitation Highway Design;
 - 209.10 – Pedestrian/Bicycle Facilities Design;
 - 210.10 – Traffic Signal and Flashing Beacon Design.

Payment Methods

(LPA Manual, Chapter 2 – Appendix 2C)

- ❖ Burdened Hourly Rate (Fixed or Adjustable)
 - Covers direct salary, overhead and profit
 - **Should be used in most cases.**
 - Use adjustable if duration longer than **one year**.
- ❖ Cost Plus Fixed Fee
- ❖ Commercial Rate (Hourly or Task)
- ❖ Lump Sum
 - Restrict to simple, straightforward projects where the total engineering cost can be estimated accurately.

Consultant General Conditions

www.maine.gov/mdot/cpo/doingbusiness/

❖ Govern contracts with MaineDOT funding.

❖ Key sections:

- Records
- Errors and omissions
- Electronic exchange of CADD data
- Progress reports
- Indemnification and insurance
- Default, termination, or suspension
- Copyright and licenses
- Conflicts of interest
- Federal Provisions (FHWA-1273)

Reminders!

- ❖ Don't execute a contract until MaineDOT has reviewed it.
- ❖ The consultant must always sign a contract first.
- ❖ Send a Notice to Proceed after contracted is executed.
- ❖ Send a copy of the executed contract to MaineDOT.
- ❖ Document your process and retain records for your files.



Risks to Funding

- ❖ Considering price as a ranking factor.
- ❖ Using sole-source selection for jobs >\$25,000.
- ❖ Reviewing prices from all consultants, not just #1.
- ❖ Starting work before signing a contract.
- ❖ Exceeding contract maximum without a modification.
- ❖ Performing work past a contract expiration.

Use MaineDOT templates:

www.maine.gov/mdot/lpa/lpadocuments/

☰ Consultant Procurement

- Consultant Contacts List
- Pre-Qualified Consultants
- Consultant General Conditions (PDF)
- DBE Form (DOC)
- Consultant Evaluation Form (DOC)
- Independent Estimate Form (Excel) Updated March 2018
- RFP, Design Services - Federal Funds (DOC) Updated September 2022