STATE OF ALABAMA DEPARTMENT OF TRANSPORTATION

JULY 30, 2009

PROCEDURE FOR SELECTION OF ARCHITECT
AND/OR ENGINEERING SERVICES

I. Necessity or Desirability of Services

A. The Consultant Selection Committee, as appointed by the Director, shall make a determination of necessity or desirability of services. When federal-aid highway funds participate in the contract, Federal Highway Administration (FHWA) approval must be obtained before hiring a consultant to act in a "management" role for the State.

B. A request for professional services must be made to the Committee Chairman and will include:
   1. Justification for necessity and desirability.
   2. Detailed scope of work (responsibility of the requestor.)

C. The Committee will review the request and determine whether or not need of requested services is warranted. This determination is to be made following an assessment of workload, resources available within the Department, and expertise required.

II. Selection Methods

A. Demonstrated Competence and Qualifications. The Department will maintain a listing of firms, which will be updated every other year, expressing an interest in providing services for the Department. This listing will be categorized by
functional areas of services in which the firm has expertise. This listing may be supplemented by firms determined by the Committee to be capable of performing work in a professional manner. All firms listed must be in compliance with Chapter 11 of Section 34 of the Code of Alabama with particular reference to 34-11-9. A current copy of the certificate of authorization will be required. Chapter 11 relates to professional license requirements for individuals and firms. Firms will be selected without regard to race, color, religion, sex, or national origin.

B. Single Qualified Source

A single qualified source for the services to be performed may be selected when it is infeasible to utilize the competition by qualifications described above. This process will be used when there exists only one viable source of the desired service, if competition by qualification among sources would entail undue delays for work requiring urgent completion, or for work in which a source has been previously involved.

The procedures for selection of a single qualified source shall be identical to those procedures outlined beginning with paragraph IV contained herein.

C. Upon determining services are warranted, the Department will:

1. Notify by e-mail firms that have expressed interest in providing the services contemplated and advertise one time in a state newspaper of general circulation. In addition, during the advertisement period the services contemplated will be posted on the Department’s Internet webpage. The purpose of this notice will be to determine any firm’s interest.
Attachment A, modified as necessary, attached hereto and made a part hereof, is a typical notice to be used in the mailing to firms. Newspaper advertisements will be an abbreviated format. A minimum of two weeks from date of notice (publication and/or letter) will be allowed for the firms to express interest or no interest.

2. Following the expiration of the time referred to above, the Committee will evaluate the responses in accordance with paragraph III below and interview firms, if considered warranted, and make its report to the Director in accordance with paragraph V-A.

III. Evaluation of Prospective Firms’ Qualifications

A. The firm shall have a certification as noted in paragraph II-A.

B. The requirement above shall not apply to those disciplines as listed below:

Cultural Resources Studies – Historical, Archaeological, Architectural; ROW Acquisition, Appraisal, Relocation and Management Consultants; Transportation Rate Studies; Underwater Inspection, Diver.

C. Architectural Services will require registration with the Alabama Board of Registration for Architects. Land Surveying will require Alabama Land Surveying License. Landscape Design will require registration with the Alabama Board of Landscape Design Architects.

D. Firms will be evaluated based on the information identified in Attachment A.

E. This evaluation is for the purpose of selecting a “short list” of firms for consideration by the Committee.
IV. Presentation Before Committee, if Required

A. The Committee, through the Chairman, may request a presentation by a firm if said firm has never made a presentation or has not made a presentation within a reasonable time.

B. The presentation should include:

1. Procedures for accomplishing scope of work.
2. Key personnel to be assigned and their qualifications.
3. Firm's overhead rate and labor additive rate.
4. Estimated time required to perform the work exclusive of review by the Department.
5. Location(s) where work will be performed and whether this office is permanent or temporary.
6. Any other data considered by the firm to be pertinent.
7. Discussion of site review.
8. Statement of experience in the fields of proposed services.

The Committee may pose any relevant questions to the firm.

C. Following evaluation of interest responses and presentations, the Committee shall document their findings using the criteria outlined in IV, B, and Attachment A.

D. The Committee should invite FHWA input when selecting consultants for unusually complex or highly technical undertakings.
V. Committee Recommendation

A. The Committee shall make a written report to the Director of its findings. The report will normally recommend a minimum of three firms deemed to be highly qualified to provide the services required, or a single firm in accordance with paragraph II-B.

B. The Director will then review the Committee recommendations and rank the firms, indicating the order for which negotiation should be conducted, in accordance with Paragraph VI.

VI. Negotiation with Firm

A. Ranking by the Director will constitute authorization for the appropriate Bureau Chief, under whose responsibility work will be performed, to proceed with negotiation with the top ranked firm relative to understanding of the scope of work and fee deemed fair and just compensation for the work. The appropriate Bureau Chief will be responsible for detailed negotiation of the agreement and presenting findings in accordance with paragraph VI-D. The Federal Highway Administration will be advised of the date and time of negotiations and may attend at its option.

B. Scope of work

All necessary Department personnel will meet with the prospective firm to review in detail the required services and ensure a complete and thorough understanding of requirements involved in the professional service.
C. Negotiation of Fee

1. The method of payment may be either (a) lump sum, (b) cost per unit of work, (c) cost plus a fixed fee amount, or (d) specific rates of compensation.

Compensation based on a cost plus a percentage of cost of construction shall not be used. Lump sum method of payment will be used when the scope and complexity of work are defined to the extent that a fair and reasonable fee may be negotiated. Cost plus a fixed fee will be the next preferred method of compensation.

2. After the work requirements are clearly understood by both parties, the prospective firm will be required to prepare a proposed fee for the required services, separated by the various items of work and supported by estimated man-day requirements, out-of-pocket costs, etc., necessary to perform the desired work. This shall include the following:
   
a. Fee broken down by direct labor with a schedule showing estimated man-hours with the applicable hourly rate.

b. Estimated other direct costs with a schedule detailing these costs.

c. A schedule of the audited labor additive rate and the audited overhead rate to be used in the agreement. These schedules should include the dollar amount of the base and the dollar amount of the factors in each rate calculation.

d. The proposed fixed fee amount.
3. To help ensure that there is a clear understanding of the required level of effort, the proposed man-days should be compared to an ALDOT estimate of man-days to do the work based on projects of similar nature.

4. After the material regarding fee has been submitted, a meeting, if necessary, will be held to discuss proposed fees and at this time further clarification of work requirements may be in order to ensure proper relationship between the cost and the service to be rendered.

D. Judgment of Fee

1. The fee, after reviews and clarification proposed by the firm, shall be judged by a Fee Judging Committee designated by the Transportation Director. The judgment is to be based on the following considerations.

a. Fair and just fee will be evaluated from the maximum compensation aspect, and will be evaluated to ensure sufficient compensation to assure professional quality of the work items desired.

b. Proposed fee should be compared to other projects of similar nature where possible where previous experience provides an indication toward a fair and just fee for the services.

c. If the Fee Judging Committee does not feel a fair and just fee can be obtained, the following steps will be taken:

Recommend in writing to the Director that negotiations be terminated, and
(1) If the Director concurs by approval of the above report, the firm will be notified in writing by the Consultant Selection Committee Chairman and the Department shall undertake negotiations with the next listed firms selected under provisions of paragraph IV-C, etc. Failing with the listed firms, the Committee shall recommend additional firms deemed qualified to provide the services required.

(2) If the Director does not concur in the above report, appropriate written instructions shall be issued.

NOTE: A copy of the executed contract will be furnished to FHWA for information.

VII. Monitoring Work in Progress

A. Preliminary Evaluations

1. When the firm begins work under the terms of the agreement, it will be required to submit monthly progress reports regardless of whether or not an invoice is submitted, and whether or not any work is performed during the month.

2. The progress will be carefully reviewed by the State and each progress report verified. This verification will be accomplished by normal reviews at appropriate steps in the development of the work and any additional reviews that may be deemed necessary to verify the progress reported.

B. Final Design and Contract Plans
1. Items 1 and 2 under paragraph VII-A, Preliminary Evaluations, will also apply to Final Design and Contract Plans work.

2. Generally, there will be three thorough reviews of contract plans during development: 30% Review, Plan-In-Hand Review, and PS&E Inspection.

C. Other Types of Engineering Services

1. Items 1 and 2 under paragraph VII-A, Preliminary Evaluations, will apply to Other Types of Engineering Services.

D. Contracts Other Than Lump Sum Fixed Fee Type

1. Firms with contracts providing for payment of a cost-plus-fixed fee basis, or any basis on which the actual expenditures of the firm are a factor in determining amounts of periodic and final payments, shall be audited as necessary during the life of the agreement plus an audit prior to final payment. The Office of External Audit may prepare an audit report at any time based on other audits of the firm if the other audits adequately confirm the expenditures.

E. Architectural Services

1. Items 1 and 2 under paragraph VII-A, Preliminary Evaluations, and paragraph VII-D, Contracts Other Than Lump Sum Fixed Fee Type, will also apply to Architectural Services.

2. Other terms and conditions providing for architectural services are to be set forth in the proposal for such services.

VIII. Fast-Track Procedure for Expediting the Consultant Process
This procedure will be used when it is determined that it is in the best interest of the 
Department to streamline the usual process of advertisement, presentation, selection and 
negotiation.

A. Consultant Selection

1. FHWA will be advised in advance of any consultant selection if alternate 
   procedures will be used on a project or projects.

2. The master list of consultants developed under paragraph II-A will be used 
   to determine interest. After this list is developed, follow-up contacts to 
   determine interest by consultants of specific work may be solicited via 
   telephone calls, FAX transmittals, or other electronic means.

3. Consultants will not be interviewed unless absolutely necessary to 
   determine the qualifications of a particular firm.

4. Consultant selection will be based on the Committee’s knowledge of a 
   consultant firm’s past performance and consultant qualification 
   documentation contained in the Department’s files. The recommendation 
   and ranking by the Director will be in accordance with paragraph V.

B. Negotiation Phase

1. The State will immediately enter into a short-term, cost-plus agreement 
   with each consultant selected. This agreement will outline a broadly 
   defined scope of work and will provide project funds in an appropriate 
   amount to be paid to the consultant on a force account basis. The project 
   funds will be sufficient to allow the consultant to proceed with work for a 
   short time while negotiating the final agreement. The lead Bureau or
Division will establish a short deadline for negotiation of the final agreement. This will allow project work to proceed and will provide a means by which the consultant can be paid in advance of final negotiation and preparation of a complete project agreement. This cost-plus agreement will become null and void upon execution of the final agreement with the consultant. If an acceptable fee cannot be negotiated with a consultant, all work will be terminated and the consultant will be paid for work performed from the cost-plus agreement using project funds.

2. In the interest of time, the last approved audited overhead rate may be used in the initial and the final agreement until the consultant audit can be completed. The final agreement will contain an article providing that the assumed audit rate shall be adjusted upon completion of the consultant audit, and an adjustment in fee will be made according to audit figures.

3. Consultant negotiations, under the direction of Central Office personnel, may involve the personnel in the Division in which the project is located if the work load in the Central Office increases to the point that efficient and timely negotiations cannot be conducted.

4. Consultant supervision may also become the primary responsibility of Division personnel.

IX. Selection Procedures for Cities and Counties

A. Consultant Selection

Cities and counties shall do the following:
1. Request written permission from the Alabama Department of Transportation Director to select a consultant for performing work on projects for which federal or state funds will be used to pay the consultant. Written requests are not required when non-federal or non-state funds are used to pay the consultant.

2. Notify by mail firms that have expressed interest in providing the services contemplated or advertise one time in a state newspaper of general circulation. The purpose of this notice will be to determine any firm's interest. If newspaper advertisement is used, it will be an abbreviated format. A minimum of two weeks from date of notice (publication and/or letter) will be allowed for the firms to express interest or no interest.

3. Make consultant selection based on qualifications provided by the firms expressing interest as a result of the notification of need for services. Any firm selected shall be on the Department's listing of pre-qualified firms interested in providing services.

4. Upon selection of a consulting firm, will notify the Department in writing of the selection, including the qualifications-based reasons for selecting the firm, and request the Department's approval and concurrence.

B. Negotiation with Firms

1. Approval by the Department will constitute authorization for the city or county under whose responsibility work will be performed to proceed with negotiation with the firm relative to understanding the scope of work and fee deemed fair and just compensation for the work.
2. The negotiated fee shall be submitted to the Department for concurrence. If the Department does not concur in the fee, it shall issue appropriate written instructions.

C. Monitoring Work in Progress

The Division in which the work is performed will be responsible for supervision in order to have the consultant comply with all appropriate state and federal regulations.

X. Alternate Selection Procedures for Cities and Counties

A. Consultant Selection

1. If cities and counties elect to use an ALDOT "on-call" consultant, they shall request written permission from the Alabama Department of Transportation (ALDOT) Director to select a consultant for performing work on projects for which federal and/or state funds will be used to pay the consultant.

2. ALDOT will transmit a list of currently active "on-call" consultants to the city/county. Upon receiving the list of consultants, the city/county will select one of the consultants listed and then enter into negotiations with the selected firm.

3. The terms of the agreement between the city/county and the consultant shall be the same as in the "on-call" agreement between ALDOT and the consultant. The fees to be used in the city/county agreement with the consultant will be the same fees as previously approved by ALDOT's
Finance Bureau – External Audit Section for use in the “on-call”
agreement with ALDOT.

4. The negotiated fee shall be submitted to the Department for concurrence.
If the Department does not concur with the fee, it shall issue appropriate
written instructions.

5. A copy of the signed agreement between the city/county and the
consultant will be transmitted to the appropriate Division office.

B. Monitoring Work in Progress

The Division in which the work is performed will be responsible for supervision
in order to have the consultant comply with all appropriate state and federal
regulations.

XI. The Division Administrator, Federal Highway Administration, will be notified and may
attend any meetings relative to the processes defined above where projects involve
federal-aid highway funds.

XII. A final performance evaluation report shall be prepared by the public employee in
responsible charge of the contract and shall be submitted to the Chief Engineer.
The report should include, but not be limited to, an evaluation of such items as
timely completion of work, conformance with contract costs and the quality of
work. A copy of the report shall be sent to the firm for its review and/or
comments and any written comments submitted to the contracting agency by the
firm shall be attached to the final report.

XIII. The procedure is designed to comply with 23 CFR 172 and OMB Circular Number.
Submitted by:

D. W. Vaughn, Chief Engineer
Alabama Department of Transportation

Approved by:

Mark Bartlett, Division Administrator
Federal Highway Administration

Prepared By:
The Alabama Department of Transportation
Design Bureau-Consultant Management Section
1409 Coliseum Boulevard
Montgomery, Alabama 36130-3050
Office: (334)242-6842 or 6142  Fax: (334) 353-6513
Reference:  Dnts002\OFFICE DOCS\FORMS\procedures
ATTACHMENT A
NOTICE OF NEED FOR SERVICES

Notice is hereby given that the Alabama Department of Transportation, 1409 Coliseum Boulevard, Montgomery, Alabama, 36110, is requesting submittal of interest from all engineering firms interested in performing work outlined in the following scope of work.

SCOPE OF WORK
(DETAILED SCOPE OF WORK WILL BE WRITTEN OUT)

REQUESTED INFORMATION

Firms interested in performing the work will be considered on the basis of information in the files and submittal of the following in written form (limited to three pages):

1. Statement of registration of the firm and names and registration numbers of individuals involved in this project (when performing professional services). Copy of the certification in compliance with Code of Alabama 34-11-9, as required by the Alabama State Board of Licensure for Professional Engineers and Land Surveyors.

2. Statement of professional standing including any pending controversies. If none exist, such a statement should be made.

3. Statement of experience in the fields that the proposed services are requested and work of similar nature which the proposed staff for requested services was in responsible charge. Proposed names and experience of staff who will work on the project are to be provided.
4. Statement of availability and adequacy, in both number and quality of remaining staff, to perform all other functions needed in the proposed services.

5. List of qualified personnel in other disciplines required for the proposed services, both in-house and those to be acquired from outside sources.

6. Statement of overhead; administrative costs, expressed as a percentage of direct labor for the last fiscal year.

7. Statement of labor additive; fringe benefits, expressed as a percentage of direct labor for the last fiscal year. If labor additive is included in the overhead calculation, such a statement should be made.

8. Statement of hourly billing rates for engineer and technician.

9. Estimated man-days by professional, sub-professional, and other.

10. Statement as to whether or not the firm is operating on a sound financial basis.

11. Statement of where work will actually be accomplished is to be described.

12. Statement of whether or not and when the site has been reviewed prior to submittal of interest.

**TO EXPRESS INTEREST**

(The following statement may be modified as necessary to accommodate electronic submittals.)

One copy of your statement of interest is to be identified with project number _________ and is to be submitted prior to 5:00 p.m. CST on ________________ to the Alabama Department of Transportation, 1409 Coliseum Boulevard, Montgomery, Alabama 36110.