

KYTC to Budget Review
Subcommittee on Transportation

Overview of Personal Service

Contracts for Design Work

Overview

- Professional Service Contracts provide additional capacity or technical expertise when Cabinet engineers have inadequate time or internal resources
- 350+ contracts/modifications for \$230 million annually
- Typically for more complex, time-consuming projects
- The Federal Highway Administration (FHWA) has recognized KYTC's improved effectiveness as a national leader in procurement policy to help realize construction schedules



Qualifications-Based Selection

Brooks Act

- Federal Brooks Act of 1972
 - 23 CFR § 172.7: Procurement methods and procedures
 - KRS 45A: Model Procurement Code
 - Title 600 KAR Chapter 6
- QBS provides the best long-term value to the owner
 - Design quality outweighs design cost for total project value
 - Design is generally less than 10% of total project budget



Consultant Prequalification

- In order to submit for KYTC work consultant firms must be prequalified
 - 83 prequalification services
 - 216 prequalified firms
- Annual Prequalification Application & Review
 - Prequalification criteria
 - Based on staff experience
 - Notifications automated to firms
 - Reports of eligible services
- Enables teaming with subconsultants



Responding to Advertisements

- Professional Services advertises projects via requests for proposals (RFPs) once a month
 - Normally 4-6 projects each month
- RFPs typically include project location, description, purpose and need, scope of services to be provided, prequalification requirements, anticipated project schedule, evaluation criteria, selection committee members
- Consultants send in detailed proposals explaining their team, project approach, similar projects, and capacity to complete the work in a timely manner
- Responses are competitive – regularly have >5 consultants responding to each project
- Responses get sent to Selection Committee



Selection Committee

- Selection Committee consists of five people:
 - 2 User Division members (typically project manager and someone else, must be merit employees)
 - 2 Secretary's pool members (randomly selected from pool of 6, must be merit employees)
 - 1 Governor's pool member (Nominated by the Kentucky Society of Professional Engineers and the Kentucky Consulting Engineers Council, randomly selected from pool of 3)
- Selection Committee Meetings:
 - First Meeting – overview from project manager
 - Final Meeting – selection
- KYTC executive leadership does not play a role in the selection of consultants – everyone is publicly notified when selections are made



Types of Design Contracts

- Project – specific or statewide contracts
- Cost can be based on:
 - Lump sum
 - Cost plus a fixed fee
 - Specific rate of compensation
 - Cost per unit of work
- KYTC is a national leader
 - Recent meetings with ACEC, MAASTO, IDOT, VDOT, SCDOT, NY/NJ

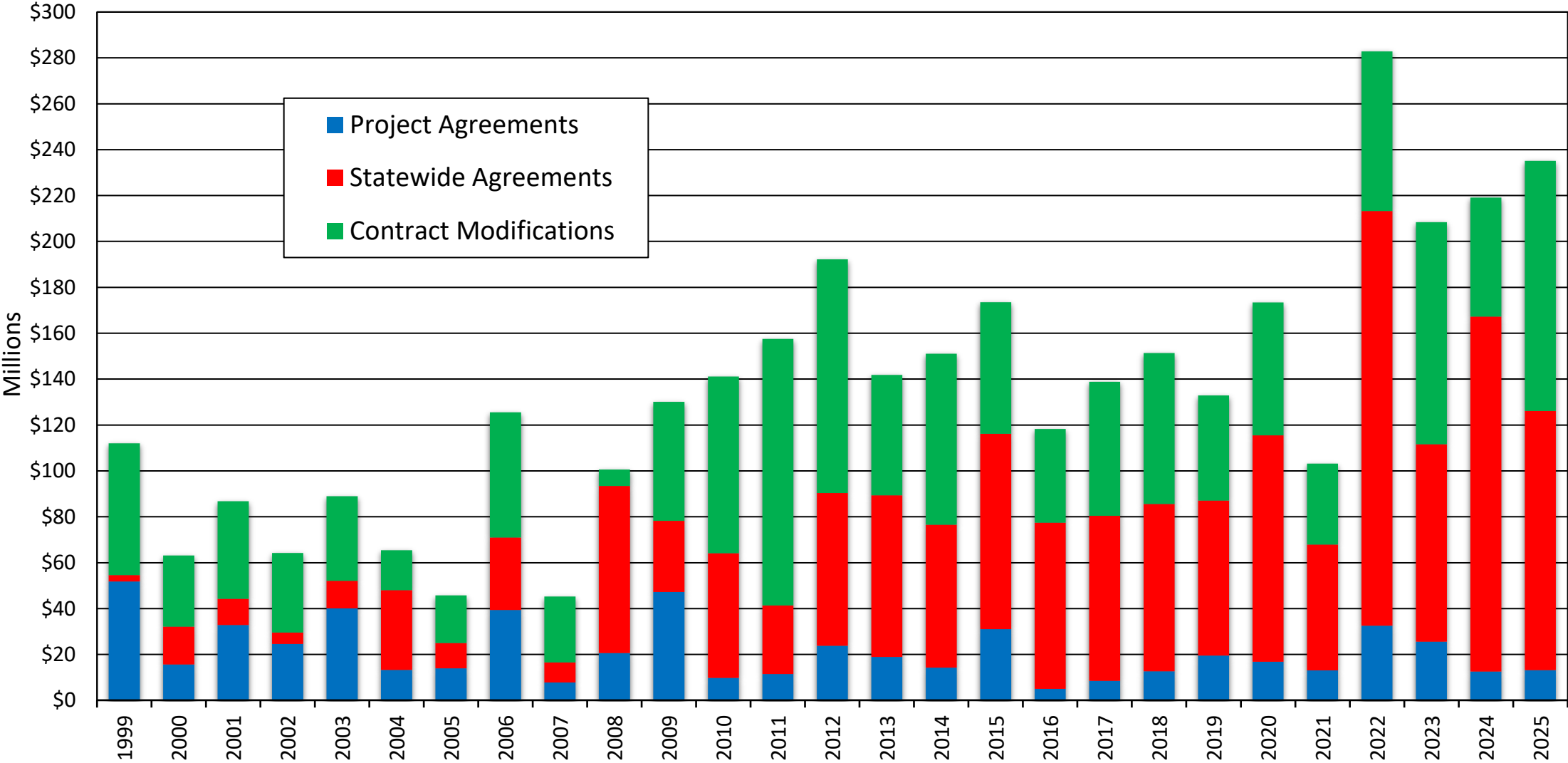


Contract Modification Process

- KYTC may deem it necessary for the consultant to perform additional work if additional or unforeseen tasks were not included in the original contract.
- A contract modification may be necessary because:
 - A new project phase
 - Change of scope directed by department
- Contract phasing / modifications are often intentional to allow for more detailed scoping of later phases of the project once preliminary engineering work is completed
- Approval process is identical to contracts



Professional Service Contract Details By Type



Summary

- Quality based selection is required competitive procurement process and provides best value.
- Flexible contracts provide resources to deliver projects efficiently.
- All consultant fees are negotiated after the consultant has been selected.
- Goal is to deliver successful KYTC projects on budget and on schedule.





QUESTIONS?

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