



INDIANA DEPARTMENT OF TRANSPORTATION

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Michael R. Pence, Governor
Brandye L. Hendrickson,
Commissioner

February 19, 2016

Scott Hornsby, PE
President

Beth Bauer
Executive Director

ACEC of Indiana
55 Monument Circle, Suite 819
Indianapolis, IN 46204

Re: Letter with Recommendations on Capacity and Lump Sum Assignments for On-Call Contracts

Dear Scott and Beth,

We appreciate your partnership in the interest and delivery of our transportation program and the concerns that have led you to make the proposals described in your December, 2015 letter. We have considered your recommendations at various levels within INDOT, including the Selection Review Committee, and have addressed each proposal below.

Proposal #1 – RFP Scoring of Firm’s Team Capacity

There are three typical capacity related checks in the current selection process. The first is prequalification capacity. Prequalification capacity is an annualized amount equal to two times the salary and wages of the firm. Prequalification capacity is also limited by financial audit levels and both are tested in part when a firm tries to submit on an item. The second capacity check is considered by individual scorers when it is included as a scoresheet rating item. Individual scorers are able to consider the team and personnel specifically identified for work on a contract. Capacity rating items are typically included in scoresheets for contracts with amounts equal to or greater than \$1,000,000. The third capacity consideration takes place in Selection Review Committee (SRC) meetings when committee members consider situations where firms are ranked for selection for multiple items from the same RFP and when members review recent selection lists to consider Selection Availability Adjustments.

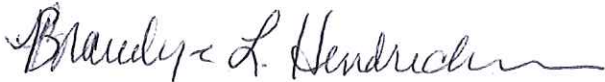
The Selection Review Committee discussed the current process for capacity consideration and has asked that visual access to scorer capacity ratings be included with scoring tabulations so that they can be monitored and evaluated from a selection value standpoint over the next six months. The SRC recommends that at the end of the six month review period INDOT meet with ACEC representatives to compare observations and consider opportunities for improvement in the capacity evaluation process.

Proposal #2 – Allowing use of Lump Sum Fee Type on On-Call Contracts

As discussed in the January Can-Do meeting your recommendation regarding lump sum assignments to on-call contracts appears to present a difficult administrative challenge to INDOT that would seriously impede our ability to get projects started quickly. The only contractual mechanism we are aware of to introduce lump sum assignments to on-call contracts is through contract amendments that would have to include scopes of work and task amounts. Amendments require signature of all of the signatories of the original contract. Additional contract amendments would also be required for project assignment scope changes. It is our understanding that you are reconsidering this recommendation.

I encourage continued collaboration and feedback regarding this response (and any other issues) and suggest the Can-Do workgroup as the best outlet for this dialogue.

Sincerely:



Brandye L. Hendrickson
Commissioner

cc: file