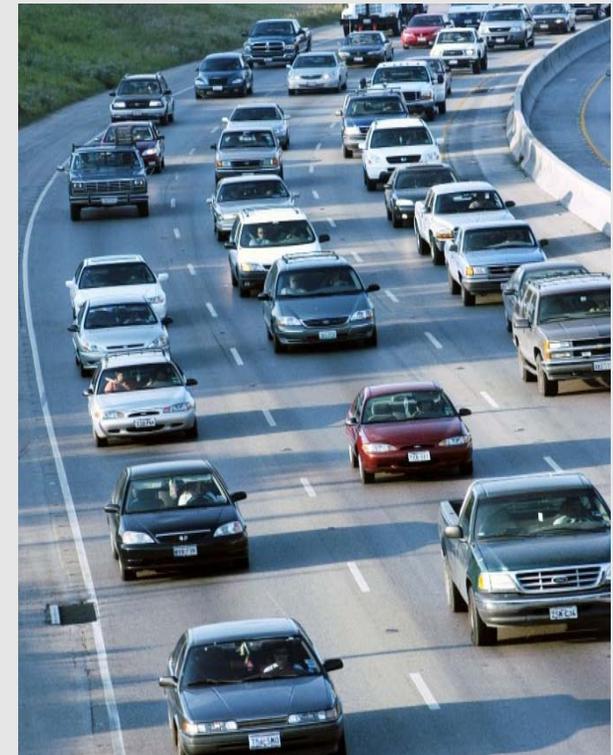




A PEPS OVERVIEW OF THE PROCUREMENT PROCESS & WHO IS ELIGIBLE TO PERFORM WORK?

Gail Eileen Morea, P.E.



Mission

Mission

Work with our TxDOT customers and external partners to procure the most qualified consultants to deliver effective solutions for Texas

Goals

Deliver the right projects; Focus on the Customer; Foster Stewardship; Optimize System Performance; Preserve our Assets; Promote Safety, and Value our Employees

Values

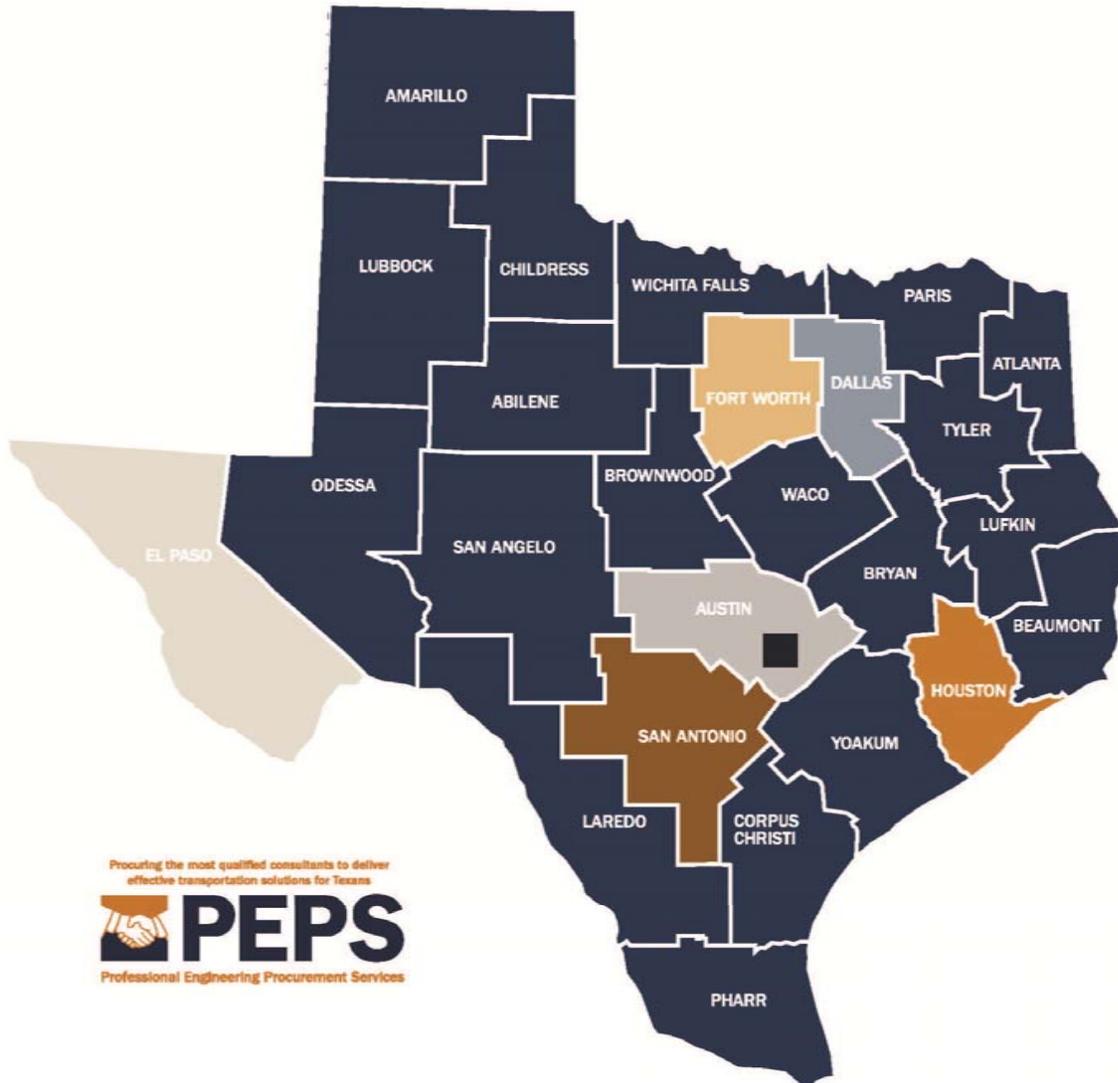
People, Accountability, Trust, Honesty

Procuring the most qualified consultants to deliver effective transportation solutions for Texans



PEPS

Professional Engineering Procurement Services represents the consolidated procurement organization supporting engineering, architectural and surveying contracts



Procuring the most qualified consultants to deliver effective transportation solutions for Texas



PEPS Centers

PEPS Division Director

Martin L. Rodin, P.E.
512.416.2037
Martin.Rodin@txdot.gov

Deputy Division Director

Lucio Vasquez, P.E.
512.416.2039
Lucio.Vasquez@txdot.gov

Business Operations Center

Roy Gonzales
512.416.2034
Roy.Gonzales@txdot.gov

Center of Excellence

Dan Neal, P.E.
512.416.2667
Dan.Neal@txdot.gov

Invoice Center

Tira Dobrozensky
512.486.5227
Tira.Dobrozensky@txdot.gov

Austin Service Center

Charles Davidson, P.E.
512.832.7315
Charles.Davidson@txdot.gov

Dallas Service Center

Joseph Jancuska, P.E.
214.320.6187
Joseph.Jancuska@txdot.gov

El Paso Service Center

Efrain Esparza, P.E.
915.790.4313
Efrain.Esparza@txdot.gov

Fort Worth Service Center

Norma Glasscock, P.E.
817.370.3675
Norma.Glasscock@txdot.gov

Houston Service Center

Gail Morea, P.E.
713.802.5795
Gail.Morea@txdot.gov

San Antonio Service Center

Larry H. Wenger, P.E.
210.615.5971
Larry.Wenger@txdot.gov

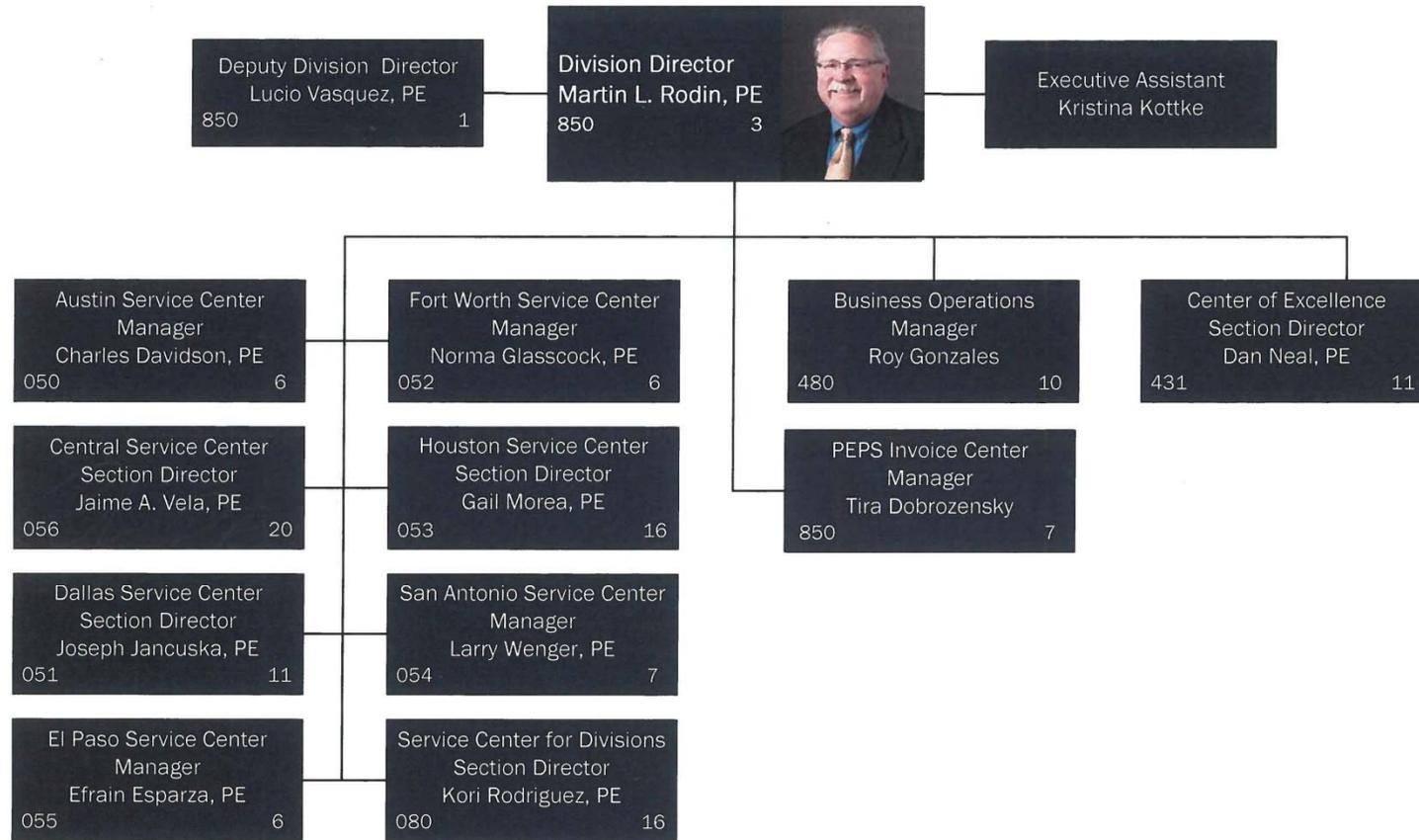
Service Center for Divisions

Kori Rodriguez, P.E.
512.416.2268
Kori.Rodriguez@txdot.gov

Central Service Center

Jaime A. Vela, P.E.
512.416.2007 or 956.712.7730
Jaime.A.Vela@txdot.gov

Professional Engineering Procurement Services (PEPS)



Engineering Contract Types

Architecture	Procurement Engineering (PcE)
Bridge Inspection	Schematic
Bridge On/Off Replacement	Schematic / Environmental
Construction, Engineering, Inspection (CEI)	Schematic/Environmental/PS&E
Critical Path Method Scheduling (CPM)	Survey
Engineering	Traffic Engineering
General Engineering Consultant (GEC)	Traffic Signal Timing
Geotechnical	Utility Engineering
Hydraulic	Materials Engineering
Planning	Facilities Engineering
Plans, Specifications and Estimates (PS&E)	Independent Engineer (IE)
	Traffic & Revenue (T&R)

Disciplines with most demand

Contracting Goals for FY 18

Architecture	\$6,000,000
Bridge Inspection	\$52,000,000
Bridge On/Off Replacement	\$9,000,000
Construction, Engineering, Inspection (CEI)	\$300,000,000
Critical Path Method Scheduling (CPM)	\$6,000,000
Engineering	\$1,000,000
General Engineering Consultant (GEC)	\$40,000,000
Geotechnical	\$19,000,000
Hydraulic	\$18,000,000
Other (describe in Comments)	\$16,000,000
Planning	\$17,000,000
Plans, Specifications and Estimates (PS&E)	\$400,000,000
Procurement Engineering (PcE)	\$20,000,000
Schematic	\$25,000,000
Schematic / Environmental	\$200,000,000
Schematic/Environmental/PS&E	\$45,000,000
Survey	\$60,000,000
Traffic Engineering	\$16,000,000
Traffic Signal Timing	\$5,000,000
Utility Engineering	\$12,000,000
Materials Engineering	\$12,000,000
Facilities Engineering	\$6,500,000
Independent Engineer (IE)	\$20,000,000
Traffic & Revenue (T&R)	\$5,000,000
Grand Total	\$1,310,500,000

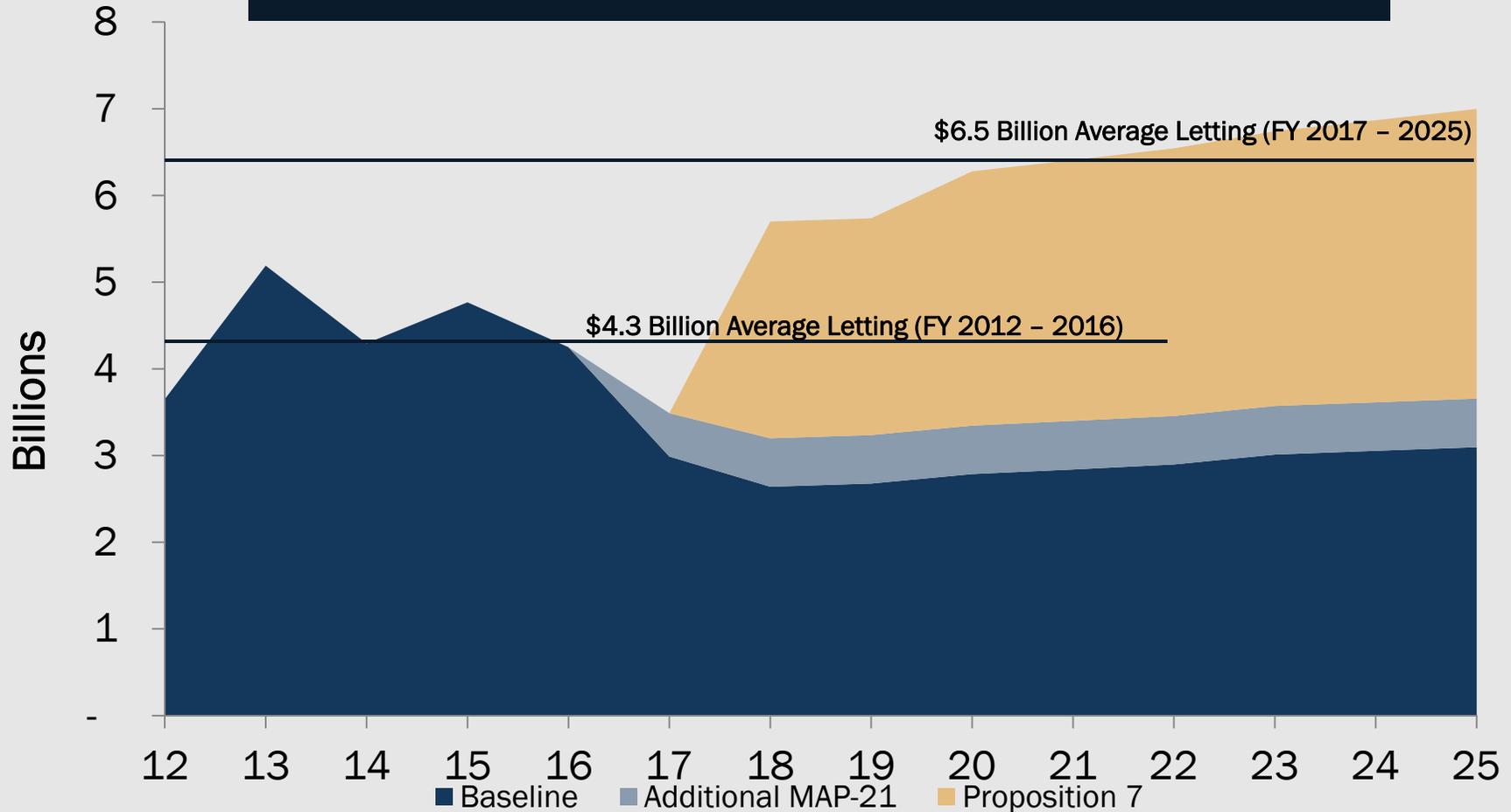
Three categories make up 70% of the annual procurement.

\$900 Million annually

- CEI
- PS&E
- Schematic/ENV

So what is driving this.....TxDOT's Annual Letting

Prop 7 significantly increases TxDOT Letting Volume



FY 2018 Procurement Plan

Professional Engineering Procurement Services (PEPS Division) - Projected Contracts for Architectural, Engineering and Surveying Services

NOTE: To ensure that you are viewing the most current list, please clear your cache, delete your browsing history, and/or refresh your screen.

Below is a list of statewide projected contracts with consulting architectural, engineering and surveying services, as of April 16, 2018. A project's presence on this list is not an indication that a project contract is authorized for advertisement. **The information is subject to change.**

Estimated Date of Advertisement	Discipline of Procurement (Consultant Work Description)	PEPS Service Center	Procurement Contact	Procurement Engineer (Do Not Contact)	Selection Process	District or Division Managing Contract	Description of Project and Project Limits, if applicable	Project Location (County, District, or Statewide)	Contract Type Specific Deliverable (SD) or Indefinite Deliverable (ID)	Target Amount to Procure
May 2018 Wave 3	Plans, Specifications and Estimates (PS&E)	Houston	Gail Morea	Sargon Youhannazad	Comprehensive	Houston	PS&E services for five projects: 1) SH 35 from North of Old Spanish Trail to Griggs Road, 2) SH 35 from Long Drive to Bellfort, 3) SH 35 from Griggs Road to Bellfort, 4) IH 610 at SH 35 - construct two of the four direct connects plus reconstruction of a portion of the mainline bridge, 5) IH 610 at SH 35 - construct two of the four direct connects.	Houston District	5 SD's	TBD
May 2018 Wave 3	Schematic / Environmental	Houston	Gail Morea	Bob Faramazi	Federal	Houston	SH 35 from Bellfort to Alvin	Houston District	SD	TBD
May 2018 Wave 3	Survey	Houston	Gail Morea	Levis Walden	Accelerated	Houston	Surveying and mapping services for Indefinite Deliverable contracts for the Houston District	Houston District	ID	15 Contracts at up to \$2,000,000 each
August 2018 Wave 4	Construction, Engineering, Inspection (CEI)	Houston	Gail Morea	TBD	Federal	Houston District	CEI services for SH 242 at FM 1314 - construct grade separation	Houston District	SD	TBD

FY 2019 Procurement Plan

Estimated Date of Advertisement	Discipline of Procurement (Consultant Work Description)	PEPS Service Center	Procurement Contact	Procurement Engineer (Do Not Contact)	Selection Process	District or Division Managing Contract	Description of Project and Project Limits, if applicable	Project Location (County, District, or Statewide)	Contract Type Specific Deliverable (SD) or Indefinite Deliverable (ID)	Target Amount to Procure



Procurement Processes

- Accelerated
- Streamlined wo/interview
- Streamlined w/interview
- Comprehensive
- Federal
- Federal Management
- Urgent and Critical
- Emergency

TxDOT's core
provider selection
processes

Federal Process

- Texas Administrative Code Rule Change -Effective Fiscal Year 2018, Wave 3 which begins on May 3rd with the CST Kick-off.
 - ✓ Move from a three step process to a two step process
 - ✓ Subject to §9.35 (an engineering or design related service contract directly related to a highway construction project and reimbursed with Federal- Aid Highway Program funds
 - ✓ Subject to the DBE goal as published in the Request for Proposal.
- Basic One step Process:
 - Publish a Request for Proposal (RFP)
 - Providers selected based on the Proposal scores
- Two Basic Steps :
 - ✓ Publish a RFP
 - ✓ Short-list the most qualified providers based on the Proposal and Past Performance scores
 - ✓ Interview short-listed providers
 - ✓ Providers selected based on interview scores
 - For SD or ID contracts the process is the same
 - SD contract requires negotiation of the rates, detailed scope & level of effort

State-Funded Accelerated Process –No Interview

- **Applicability**
 - For contracts not subject to the other processes
 - By default this will be for the majority of the indefinite deliverable (ID) contracts
 - An SD contract less than \$1M is rare, but possible

- **Basic Steps (1)**
 - Publish an RFQ
 - Providers selected based on the SOQ scores

- **Designed for less complex and lower-risk services (Surveying & Geotech)**
- **Standardized core ID contracts, typically \$2M or less**
- **ID contract requires negotiation of rates only**
Implication – it will go faster than the other processes

State-Funded Streamlined Process

- **Applicability**
 - ID contracts for higher-risk services based on project costs, number of contracts, or type of services

- **With interviews (2 steps)**
 - Publish RFQ
 - Short-list and conduct interviews
 - Providers selected based on interview scores

- **Without interviews (1 step)**
 - Providers selected based on SOQ scores

 - Standard or non-standard ID contracts
 - Dollar-value, number of contracts, or services may be out of the ordinary
 - Provides for interviews if additional rigor is warranted, but questions without a presentation may be adequate
 - ID contract requires negotiation of rates only
 - Implication – it will go faster than the comprehensive, but not as fast as the accelerated

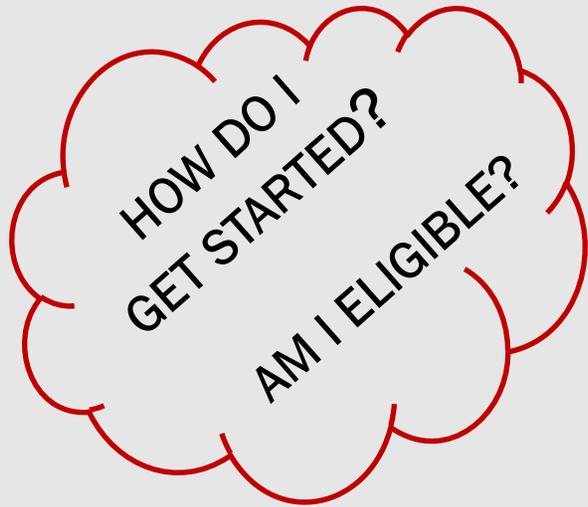
State-Funded Comprehensive Process

- Applicability
 - Must be used for any specific deliverable (SD) contract that is \$1M or more
- Basic Steps (2)
 - Publish an RFQ
 - Short-list the most qualified providers based on the SOQ scores
 - Interview short-listed providers
 - Providers selected based on interview scores

Designed for higher-dollar value projects

- Each SD project is unique
- SD contract requires negotiation of detailed scope and budget with
- rates for execution
- Implication – it will take longer than the other processes

PEPS Division – Getting Started and Who is Eligible to Perform Work?



How do I get started? / Requirements and Certifications

Getting Started

- ✓ Be registered as a business with the State of Texas

<http://comptroller.texas.gov>

- ✓ Be registered as engineering firm with the Texas PE Board

<http://engineers.texas.gov>

- ✓ Obtain precertification with TxDOT

<http://www.txdot.gov/business/consultants/architectural-engineering-surveying/getting-started/precertification.html>

- ✓ Become administratively qualified with TxDOT

<http://www.txdot.gov/business/consultants/architectural-engineering-surveying/getting-started/administrative-qualification.html>

- ✓ Check the TxDOT webpage for listing of projected contracts and pre-RFQ meetings

http://ftp.dot.state.tx.us/pub/txdot-info/des/cco/professional_services/projected_contracts.pdf

- ✓ Submit your qualifications

Administrative Qualifications (AQ)

- The process by which the department verifies that your firm has an indirect cost rate (overhead) that meets department requirements.
- Must be in compliance with AASHTO's Uniform Audit & Accounting Guide and the Federal Acquisition Regulation (FAR).
- May be demonstrated by an audit or self-certification of its incorporated entity or business segment.
- The requirements are found in the Texas Administrative Code Title 43, Part 1, Chapter 9, Subchapter C, Rule 9.34(b) and 9.35(b).
- Maintain Administrative Qualification Status: Each year and no later than sixty (60) calendar days prior to June 30th you need to submit a new CPA audit or self-certification for re-analysis.
- Maintain the correct insurance requirements !

Updates on AQ Processing

- PEPS AQ Group is no longer accepting reports for 2016!
- Get ahead of the queue! Don't wait till the week before June 30th to send in your 2017 report or self-certification!
- Remember the TAC rules stipulates AQ report reviews are guaranteed to be processed by PEPS AQ Group within 60 calendar days of receipt.
- The AQ list is updated twice daily.
- AQ reports are processed on a first come first serve basis! No exceptions!
- Note: Federal Safe Harbor Rate Program expired 12/31/2017. Impact?
 - ✓ Those firms that were approved on or before 12/31/2017 to use the 110% rate were grandfathered in and good for three years from date of issuance.
 - ✓ PTC Form automatically will populate the AQ field based on the firm sequence number. IF NA appears, contact the Procurement Engineer posting the RFQ/RFP for instructions on what to do.

Exemptions to Administrative Qualifications for Contracts

- **Both Federal and State-Funded:** A non-engineering firm is exempt from the administrative qualification requirement.
- **Federal Only: No exemptions for engineering firms .** Any firm providing **engineering or design related** services must be administratively qualified by the **closing date of the proposal to compete** unless they are eligible to utilize the “Safe Harbor” indirect cost rate. Remember: Eligibility must be approved by the PEPS AQ Group **PRIOR** to closing date of the proposal to compete.
- **State-Funded only:** A provider performing a service under standard work category 18.2.1, subsurface utilities engineering, or any of the following work groups, as listed on the department's precertification website, is exempted from administrative qualification, to the extent of the service being performed:
 - Group 6, bridge inspection;
 - Group 12, materials inspection and testing;
 - Group 14, geotechnical services;
 - Group 15, surveying and mapping; and
 - Group 16, architecture.

Timing of Administrative Qualifications (AQ)

- Depends on whether procurement is a state-funded or federal process.
 - ✓ All procurements other than Federal require approved AQ in place at the time of selection; WHEREAS,
 - ✓ Currently, the Federal process requires an approved AQ to be in place at the time your SOQ is submitted.
 - ✓ Beginning with FY 2018, Wave 3 instead of a three step process: SOQ, Proposal and Interview the Federal process will reduce a two step process, the Proposal and Interview.
 - ✓ The reduction down to a two step process will mean that your AQ will need to approved and in place at the time the Proposal is submitted to PEPS.

Pre-Certification Process....

- Establishes the minimum technical qualifications to perform work under standardized work categories
- Sargon Youhannazad, P.E., my assistant will present the Pre-Certification Process and the Summary of Changes to Work Categories that are now in effect.

Wrap-Up: Some Procurement Tips:

- Check that all mandatory forms are in your package
- Keep alert to amendments .
- Ask questions when you have the opportunity.
- Showcase your PM and task leaders.
- Focus on providing challenges, solutions and lessons learned.
- Present innovative ideas or alternatives .
- Be clear, concise and technical.
- Use space wisely, it is not for marketing.
- QA/QC the SOQ by referring directly to the RFQ Cover Page
- Use your best examples and give credit to the firm that did the work.

Additional Procurement Tips

- Read HUB or DBE language in the solicitation carefully
- Use the HSP Quick Checklist to identify which Method you will use to complete the HSP
- Not sure how to fill out HSP? HSP Training is available on the TxDOT website.

Automatic Disqualifications Regarding the HSP

- Not using latest version of the HSP (Current version at the moment 2/2017).
- For each procurement from:
 - ✓ Comptroller.Tex.gov website/purchasing/vendor/hub/forms,
- Failure to sign Section 4 of the HSP –No opportunity to resubmit !
- TBA or TBD used in lieu of a %

Networking with TxDOT

- Recommend visiting the 8 PEPS Service Centers state-wide for networking opportunities:
- PEPS Houston Service Center Contact:
 - ✓ Director: Gail Eileen Morea, P.E. @ 713-802-5795
 - ✓ Assistant: Sargon Youhannazad, P.E. @ 713-802-5891
- Study the Projected Contracts list posted on TxDOT's internet site
- Visit with the District's Director of Transportation Planning & Development: Mr. William R. Brudnick. P.E. 713-802-5031
- Visit with the District's Director of Construction at the district: Lucio F. Ortiz, P.E. @ 713-802-5481

