



How to Expedite the Work Authorization Process

2019 PEPS Conference

Jaime A. Vela, P.E. PEPS Urban Service Center Manager
Rick Betancourt, P.E. Director of Construction Odessa District
Jose L. Rodriguez, P.E. Construction Services Manager HDR Engineering

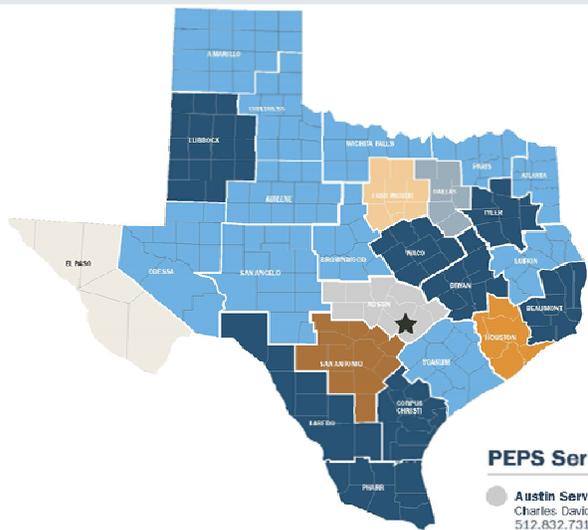
November 21, 2019

Presentation Highlights

- 1 • PEPS Service Centers
- 2 • Mini Work Authorizations & How They Are Used
- 3 • Mini Work Authorizations in Action (Districts)
- 4 • Mini Work Authorizations in Action (Firms)
- 5 • Q&A

2019 PEPS Conference

November 21, 2019 **2**



★ **PEPS Division**
Austin HQ

PEPS Division Director
Martin L. Rodin, RE.
512.416.2037
Martin.Rodin@txdot.gov

Deputy Division Director
Lucio Vasquez, RE.
512.416.2039
Lucio.Vasquez@txdot.gov

PEPS Support Services

Business Operations Center
Roy Gonzales, RE.
512.416.2034
Roy.Gonzales@txdot.gov

Invoice Center
Tira Dobrozensky, CTCM
512.486.5227
Tira.Dobrozensky@txdot.gov

Center of Excellence
Dani Neel, RE.
512.416.2667
Dani.Neel@txdot.gov

Negotiations Service Center
Norma Glasscock, RE.
817.370.3675
Norma.Glasscock@txdot.gov

Controls Center
Dione Albert
512.416.2003
Dione.Albert@txdot.gov

Support Services Center
Kathy De Luna, CTCM, CTCD
210.615.5901
Kathy.DeLuna@txdot.gov

PEPS Service Centers

● **Austin Service Center**
Charles Davidson, RE., CTCM
512.832.7315
Charles.Davidson@txdot.gov

● **Fort Worth Service Center**
Jessica Andrews, RE.
817.370.3669
Jessica.Andrews@txdot.gov

● **Service Center for Divisions**
Kori Rodriguez, RE.
512.416.2269
Kori.Rodriguez@txdot.gov

● **Dallas Service Center**
Joseph Jancuska, RE.
214.320.6187
Joseph.Jancuska@txdot.gov

● **Houston Service Center**
Gail Moore, RE.
713.802.5795
Gail.Moore@txdot.gov

● **Urban Districts Service Center**
Jaime A. Vela, RE.
512.416.2007 ext 956.712.7730
Jaime.A.Vela@txdot.gov

● **El Paso Service Center**
Jaime Perales, RE., CFM
915.790.4231
Jaime.Perales@txdot.gov

● **San Antonio Service Center**
Larry H. Wenger, RE.
210.615.5971
Larry.Wenger@txdot.gov

● **Rural Districts Service Center**
Lynn Daniel, RE.
940.937.7281
Lynn.Daniel@txdot.gov



Project Planning with Districts



Mini Work Authorizations & How they are Used

Jaime A. Vela, Jr., P.E.

Expedited Work Authorizations Across the Disciplines



Is a Mini-Work Authorization Right for Your Project?

Note: This is not to be considered common practice, rather use as EMERGENCY only
Discussions with the Procurement Engineer and Service Center Manager are required in order to receive

prior authorization

Mini-Work Authorization

Consists of 2 individual Work Authorizations

- The initial, "Mini-Work Authorization"
- The second, "Follow-Up" Work Authorization

Scenario 1:

Need for expedited Notice to Proceed

- CEI Work Authorization
- This would assist in deploying consultant staff into the field ASAP
 - IE: pre-construction meeting

Scenario 2:

Rapid project delivery required

- Need for PS&E development for lengthy project
- This Work Authorization would allow the survey to proceed
- Simultaneous development of the remaining scope of the project

Guidelines for Use

Max Amount Payable

\$500,000.00 maximum

Meant to fund 90 days of operating expenses

Review kept at the Service Center/District level

Signature Authority is at District level

Time

Tight timeline to begin work (15 days to NTP)

Typically 3-4 months in duration

6 months maximum

Time to call PEPS!



How to Begin the Mini Work Authorization Process

District PM will need to download and complete an Identification of Contract Need form (ICN) from the PEPS Website

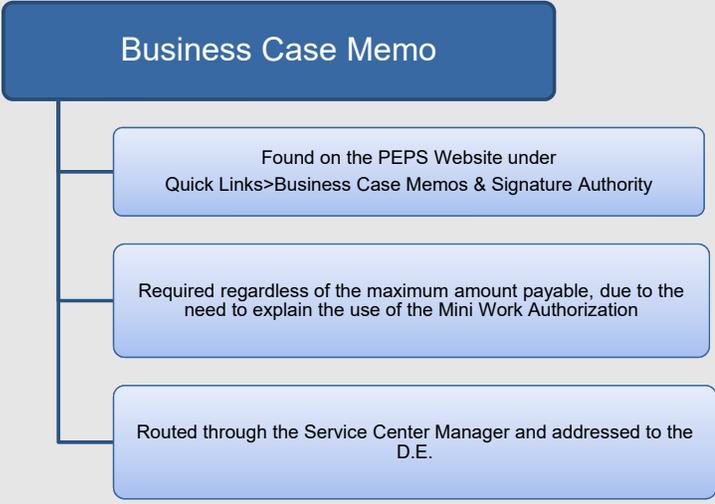
Create 1 ICN for the Mini WA and 1 ICN for the Follow Up WA

Submit **both** forms to the Needs box for your Service Center (SC)
SC ensures placeholder for Follow Up WA is set

Use the contract documents provided to create the Exhibits for your Mini WA

10

You mean to tell me a Business Case Memo is Required?



Business Case Memo

DocuSign Envelope ID: B1A8F9B-CD18-4D7E-812F-AE0M33CEDA8

Recommended
 Recommendation Deferred

BUSINESS CASE MEMO
July 25, 2019

To: Martin L. Rodin, P.E.
PEPS Division Director

Through: Jaime A. Vela Jr., P.E.
PEPS Central Service Center Manager

From: Donnie McNatt
Odessa District

Subject: HDR Engineering, Inc. - Contract No. 06-BIDP5002, PS No. 8755, WA02
Indefinite deliverable contract for engineering services
Contract termination date: January 27, 2024

The Odessa District recommends execution of the subject work authorization (WA). Your approval is requested.

Contract Information:
This is an indefinite deliverable contract for engineering services generally described as managing construction of specific operations and to provide Engineer Led Inspection Teams (ELIT) to perform various Construction Engineering Inspection (CEI) services. The contract was awarded to HDR Engineering, Inc. on January 27, 2019 and has a current maximum amount payable of \$5,000,000.00 and a current termination date of January 27, 2024.

Purpose of Work Authorization:
Work Authorization No. 02 (WA 02) is for managing construction of specific operations and to provide Engineer Led Inspection Teams (ELIT) to perform various Construction Engineering Inspection (CEI) services for US 285 (CSJ: 0139-04-045) from SI 202 to PM 1216 in Reeves County for the Odessa District (06). The proposed termination date is November 30, 2020 and the maximum amount payable is \$3,121,803.62, which is 62.4% of the total contract amount. If approved, 72.4% of the contract's total spending capacity will be committed.

The estimated construction cost for this project is \$32,288,352.38, and the anticipated CEI contract amount is \$3,121,803.62, which is 9.7% of the estimated construction cost.

DBE Utilization:
The DBE goal for this contract is 12% and the percentage utilization for this work authorization is 11.05%. The overall contract utilization is 13.68%.

Business Case Justification:
This Work Authorization No. 2 (WA2) will allow the Engineer to continue with CEI Services for project CSJ: 0139-04-045 in Reeves County to include project inspection, materials testing, records keeping an project closeout. This Project was previously executed as a mini WA in January 2019, due to rapid project delivery,

OUR VALUES: People • Accountability • Trust • Honesty
OUR MISSION: Through collaboration and innovation, we deliver safe, reliable, and integrated transportation systems that enables the movement of people and goods.
An Equal Opportunity Employer

DocuSign Envelope ID: B1A8F9B-CD18-4D7E-812F-AE0M33CEDA8

energy sector deterioration, and lack of qualified construction inspectors in the Odessa District. This Engineer is needed to continue with CEI services on this major energy sector corridor project, as the Ft. Stockton Area Office does not have the personnel to properly inspect, complete lab testing or keep records for this project. The utilization of "mini" Work Authorizations was approved by PEPS Division Director, Martin Rodin. A "mini" WA allowed the consultant to provide the State with an abbreviated fee schedule for prompt execution. This aided in getting the consultant out in the field as soon as possible to provide the needed resources for the Odessa District.

Impacts of Non-Approval:
Failure to approve this work authorization (WA2) will result in the Engineer not being able to finish CEI services for the project CSJ 0139-04-045 (US 285). This could cause inadequate project inspection, inaccurate project records, & possibly lead to construction delays. Alternative to inspect with in house personnel is not preferable as the Ft. Stockton Area Office currently does not have the staff to complete this project due to current heavy project load. This option could lead to the incomplete & unacceptable work that could extend this project for months and cause the cost to increase. It is also not a feasible option to consider procuring another contract to complete CEI services on this ongoing project. A new CEI firm would have to quickly mobilize to this area which will cause further delays to the project along this major energy sector roadway and result in improper inspection and records keeping.

Martin L. Rodin, P.E. 2 July 25, 2019

BCM Scenario 1



BCM language for Follow Up WA must contain language to explain information about the Mini WA, as well as justification for the Follow Up WA

“The Mini WA allowed the consultant to provide the State with an abbreviated fee schedule for prompt execution. This aided in allowing the presence of the consultant at the pre-construction meeting while the remainder of the scope and level of effort were being developed.”

Justification for Follow Up

District does not have the staff to complete the project

BCM Scenario 2



BCM language for Follow Up WA must contain language to explain information about the Mini WA, as well as justification for the Follow Up WA

“The project was previously executed as a Mini WA on [Date] due to the need for a surveyor to proceed as the remaining scope was being developed. This resulted in a rapid project delivery.”

Justification for Follow Up

To ensure the consultant will remain on the project, therefore avoiding the delays that would occur if we were to mobilize a new firm to the area

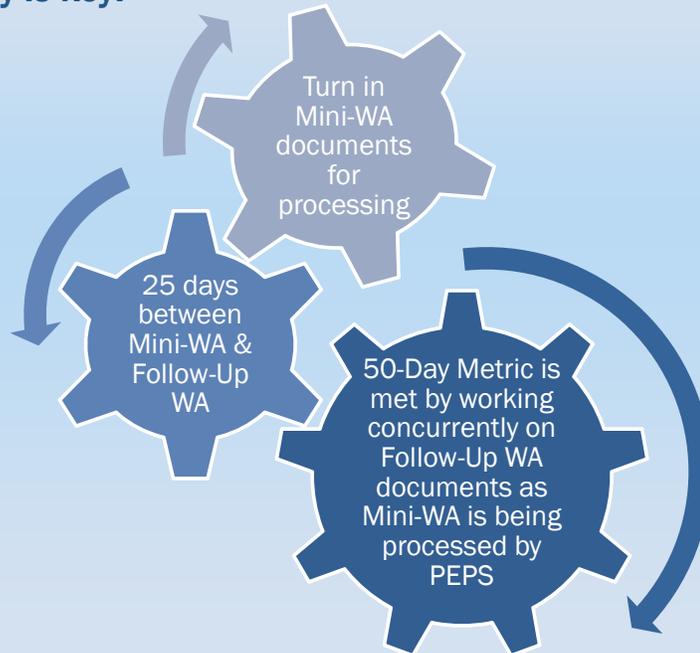
Once Mini WA documents are finalized and ready for processing, submit to the Process Box for your Service Center:

- Business Case Memo
- Risk Analysis Form
- All Exhibits
- Exhibits A,B (Scope)
- Exhibit C (Work Schedule)
- Exhibit D (Fee Schedule)
- H-2 (HUB/DBE Forms)

PEPS Contract Specialist will prioritize, review, and execute document.

15

Concurrent activity is key!



16

A Service Center Manager's Job is Never Done



17

Mini WA in Action (District)

Rick Betancourt, P.E.

Mini-WA Origin



Shortage of Personnel

- Loss of staff to oil field related jobs
- Struggle to retain qualified staff
- New, inexperienced staff

CEI Needs Increased

- Letting volumes exceeded historical volumes
- New project needs added monthly
- Availability of energy sector funds

Contract Needs Increased

- WAVE3 contracts pending execution
- Escalated projects letting
- Lack of available contract capacity



Obstacles-Consultant

Initial reluctance

- New concept
- Limited scope, minimal budget

Time constraint

- Mobilization issues
 - Lodging
- Sudden need for staff
 - Competition for limited available staff

WA & SWA vs. Mini-WA & Follow-Up WA

- DBE goal issues
 - Type of work varies

21

Obstacles-TxDOT

Time

- WA document creation doubled, became more complex
- PEPS processing time- Follow-Up WA
 - Close call –services almost halted
- PEPS & CSD addressing/resolving issues in real time

Budget

- Tracking burn rates
- Invoicing

Scope

- From limited scope to remaining level of effort

22

Pros

- Expedited Execution
- Limited Scope (LOE)
- Low CEI Cost- Under \$1 Million

Cons

- Challenge meeting DBE Goal
- Challenge for CEI to mobilize staff
- Extensive monitoring required

Overall:

Innovative tool to quickly mobilize CEI firm in order to meet the District needs

23

Mini WA in Action (Firm)

Jose L. Rodriguez, P.E.

Mini-WA From a Consultant's Perspective



The Ask

- Full scope of services
- Show full schedule duration with limited Mini-WA duration
- Limited budget for approximately 3-4 months duration

The Challenges

- Development of mini-WA fee
- Immediate mobilization of staff
- Continuous development of fee
- DBE commitments
- Invoicing issues due to:
 - Reallocation of funds within the Mini-WA
 - Transitioning from Mini-WA to Follow-Up WA

Initial reaction



Mini-WA from a Consultant's Perspective

Risks

- What if there is a gap between Mini-WA and Follow-Up WA?
- Limited invoicing flexibility
- Mobilizing sub-providers and DBE
 - Sub-agreements, availability, and Schedule of Work

Solutions

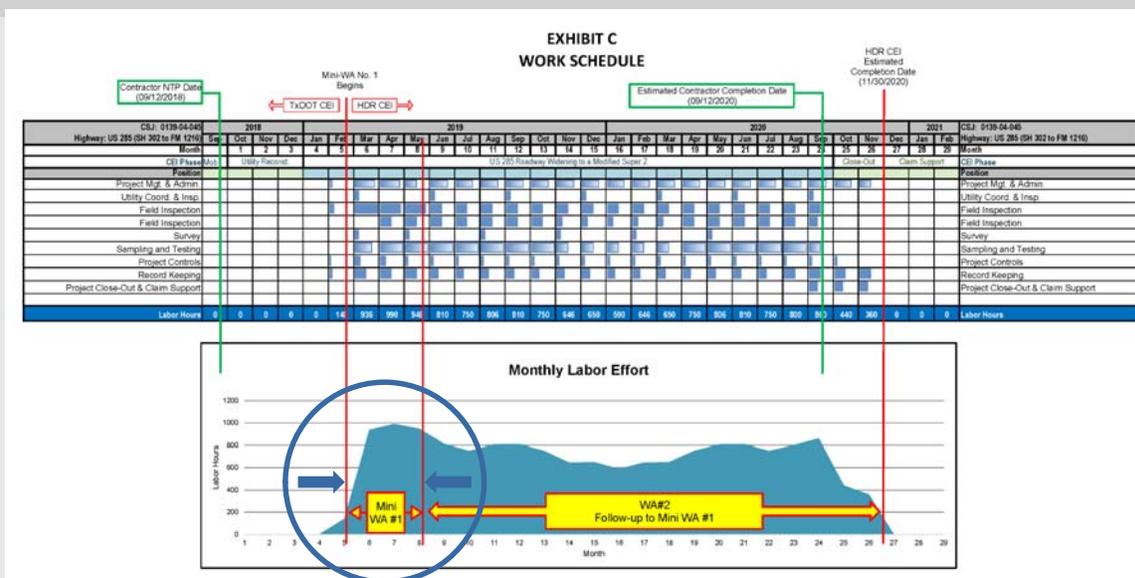
- Don't over think it! Use FTE vs WBS/Task approach
- Require teamwork flexibility from everyone

Innovative Ideas

- Use Retainer Agreements similar to the Legal Industry; Paid on a fixed rate for FTE Work Category

27

What does a Mini-WA look like?



HDR Engineering, Inc. Contract No. 06-81DP5001
PS No. 8755
Mini-Work Authorization No. 1

EXHIBIT B
SERVICES TO BE PROVIDED BY THE ENGINEER

The work to be performed by the Engineer shall consist of managing construction of specific operations and to provide Engineer Led Inspection Teams (ELIT) to perform various CEI services, that include, but are not limited to, the following:

Contract Administration – The Engineer shall be knowledgeable about contract administration and administer the contract in accordance with Items 1-9 of the current, unless otherwise noted, version of TxDOT's Standard Specifications for the Construction and Maintenance of Highways, Streets and Bridges (Spec Book). The Engineer shall:

A. Contractors Scope of Work

1. Attend pre-bid conferences
2. Attend and document Formal and Informal Partnering Meetings.
3. Changes in the Work
 - Provide the estimated cost of change orders and assist with negotiations, if requested.
 - Develop plans to address design needs due to field changes. Inspection of this work shall be done by a firm other than the one providing the design. This work must not address errors and omissions.
 - Identify and make recommendations to the State for the corrections of plan errors and omissions, substitutions, defects, and deficiencies in the work of the contractor, subcontractors, vendors, or others.

• Perform utility coordination and investigations including coordination with the State's encountered.

• Identify and address Differing Site Conditions.

• Assist with negotiations related to Requests for Information.

• Assist negotiating dispute resolutions.

B. Control of Work

1. Track all shop drawing submittals, review and respond to them.
2. Review work schedule, plan changes, coordination information topics, including review and approval as well as monitoring the schedule.
3. Evaluate conformity with plans, specifications, and standards.
4. Review construction surveying.
5. Perform inspection related to the following
 - Environmental requirements
 - Traffic control plans and devices
 - Preparing right of way (ROW), clearing

Traditional LOE Development

A. Contractors Scope of Work

1. Attend pre-bid conferences
2. Attend and document Formal and Informal Partnering Meetings
3. Changes in the Work
 - Provide the estimated cost of change orders and assist with negotiations, if requested.

Develop plans to address design needs due to field changes.

Hindsight is . . .



**IF I ONLY KNEW
THEN WHAT I
KNOW NOW.**



2019 PEPS Conference

November 21, 2019

30

Refining LOE

Identification of unforeseen items

Actual costs vs. realistic burn rates

Contractor's actual vs. planned schedule

- Contractor's hours of operation
- Production rates
- Changes in phasing
- Overtime (OT)

Planning of resources

- DBE commitment
- Lab & testing needs

31



Questions and Discussion



Jaime A. Vela, Jr., P.E.

Urban Service Center Manager

✉ Jaime.A.Vela@txdot.gov

☎ 512-416-2007

Rick Betancourt, P.E.

Odessa Director of Construction

✉ Rick.Betancourt@txdot.gov

☎ 432-498-4745

Jose L. Rodriguez, P.E.

Construction Services Manager

✉ Jose.Rodriguez@hdrinc.com

☎ 972-732-2106