

SR 520 Program Inclusive Contracting Opportunities Open House



**SR 520 Program Inclusive Contracting
Opportunities Open House**
June 2, 2015
Seattle Central Library

Welcome!



**MC: Regina Glenn,
Diversity and Inclusion Manager,
SR 520 Program**



Safety Review

- **Locations of emergency exits in library**
- **CPR certified:**
 - **Savannah Moore**

Agenda (See meeting handout, page 1)

- **Welcome and introductions - 4:15 p.m.**
- **Legislative Update - 4:20 p.m.**
- **“Rest of the West” project opportunities - 4:30 p.m.**
- **Firm requirements and resources - 4:45 p.m.**
- **Additional links, Q&A - 5:05 p.m.**
- **Networking - 5:15 p.m.**
- **Adjourn meeting - 6:00 p.m.**

Partner and Opportunity Directory

(See meeting handout, pages 2 and 3)

Tables

Table 1: WSDOT / SR 520 Program

- Project Management

Table 2: WSDOT / SR 520 Program

- Structural Design

Table 3: WSDOT / SR 520 Program

- Environmental
- Architectural

Table 4: WSDOT / SR 520 Program

- Civil and Utility
- Traffic Engineering
- Stormwater

Table 5: WSDOT Consultant Services Office, WSDOT Internal Audit Office (Safe Harbor, Federal Acquisition Regulation (FAR))

Tables

Table 6: WSDOT Office of Equal Opportunity and Washington Office of Minority and Women's Business Enterprises

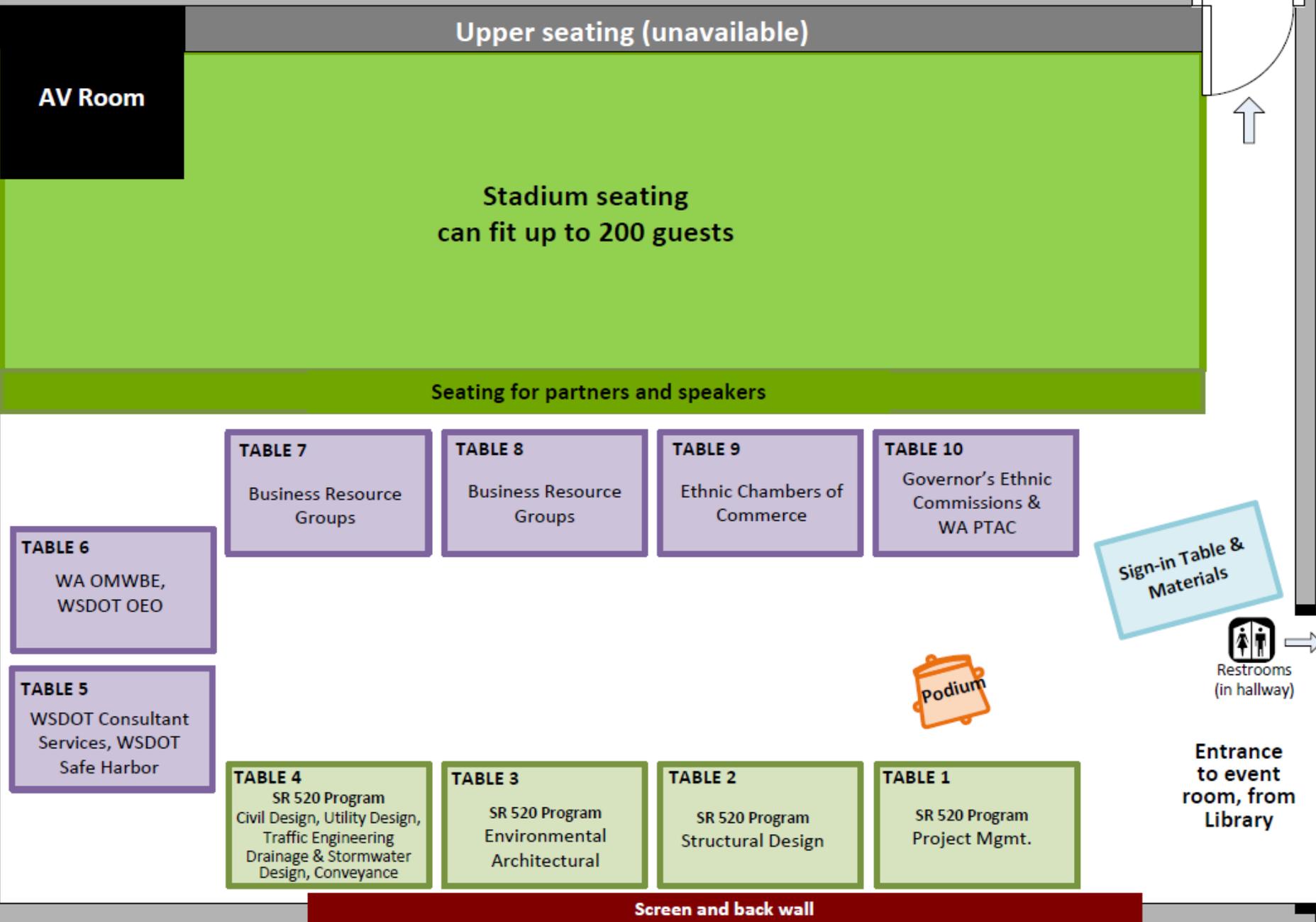
Table 7: Business Resource Groups

Table 8: Business Resource Groups

Table 9: Ethnic Chambers of Commerce

Table 11: Governor's Ethnic Commissions and Washington Procurement Technical Assistance Center (PTAC)

Event floor plan



Legislative / WSDOT Update

- 2015 Legislative session updates:
 - Transportation operating budget
 - Transportation revenue package discussions
- WSDOT updates:
 - Secretary Peterson's commitment to DBE inclusion in WSDOT projects
 - Benefits to minority contracting opportunities



Rick Singer
*SR 520 Program Deputy
Administrator - Operations*

SR 520 Program Overview



Kerry Pihlstrom, P.E.
SR 520 Engineering Manager

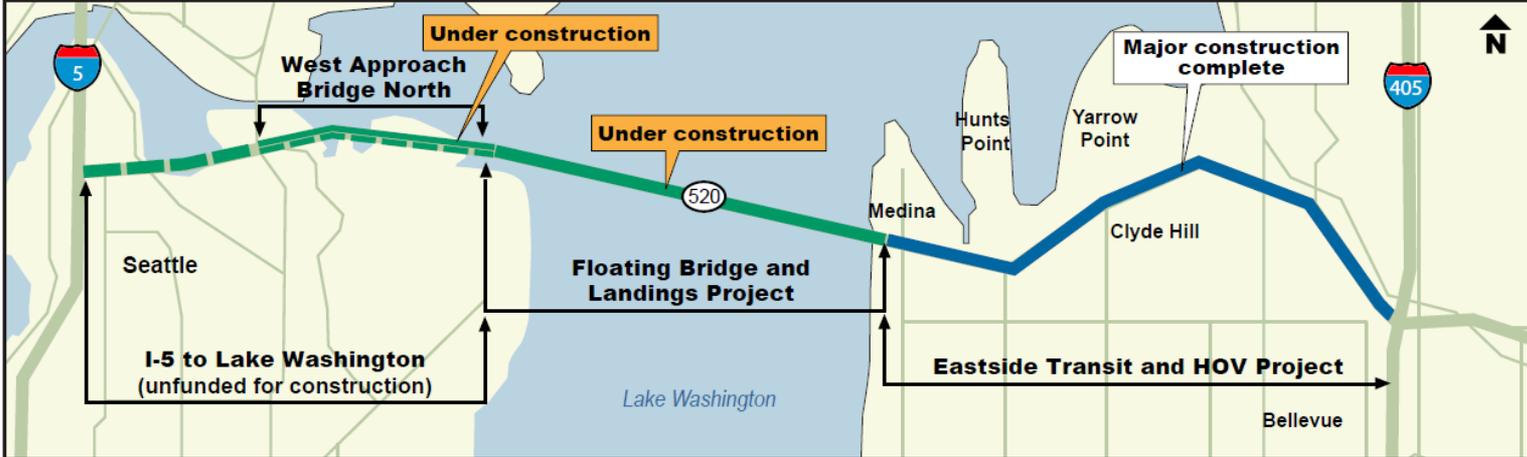


View of West Approach Bridge North construction, looking east.



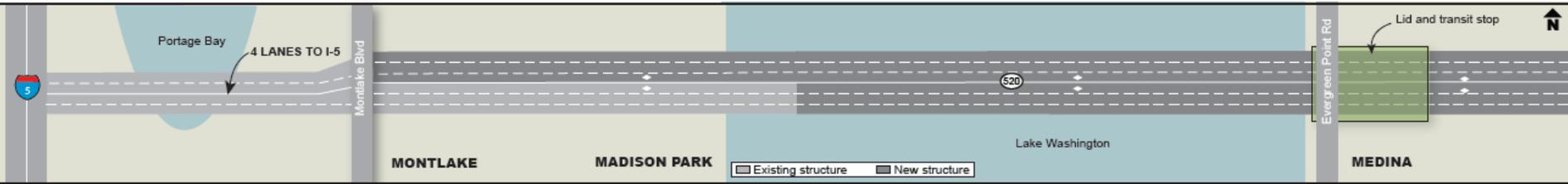
View of floating bridge construction on Lake Washington, looking west.

Program map

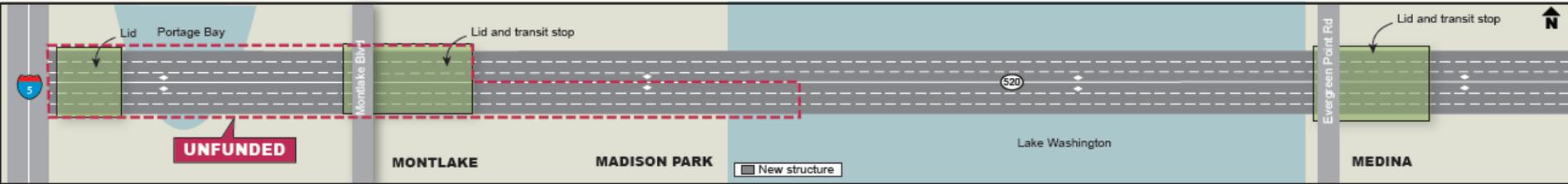


SR 520 “Rest of the West” Project Overview

Summer 2017: West Approach Bridge North Open to Traffic – 6 Lanes to Montlake



With Full Funding: Full Corridor Complete – 6 Lanes to I-5



Rendering of the new Portage Bay Bridge in Seattle. The new bridge is not yet funded for construction.



Rendering of a new multi-modal Montlake lid in Seattle. The new lid is not yet funded for construction.

Opportunities with the SR 520 Program



Larry Kyle, P.E.
*SR 520 Program
Engineering Manager*

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Key qualifications to participate in the SR 520 Program's A&E opportunities

1. Office of Minority and Women's Business Enterprises (OMWBE) Certification
2. Audited Rates (Provided by the WSDOT Internal Auditor)
3. North American Industry Classification System (NAICS) Codes
4. Statement of Qualifications (SOQ)

WSDOT Consultant Services Office: How to get Audited Rates



Brian Stallman
*WSDOT Internal Audit Office
Audit Specialist*



Eric Jonson
*WSDOT Internal Audit
Contracting Services
Manager*



Schatzie Harvey
*WSDOT Internal Audit
Audit Specialist*

Disadvantaged Business Enterprise & Consultant Contracts

Erik Jonson
Contract Services Manager

Lynn Peterson
Secretary of Transportation

Schatzie Harvey
Agreements Compliance Audit Manager



June 2015

SR520 Inclusive Contracting Opportunities Open House - Seattle

Consultant Services Office Role within WSDOT

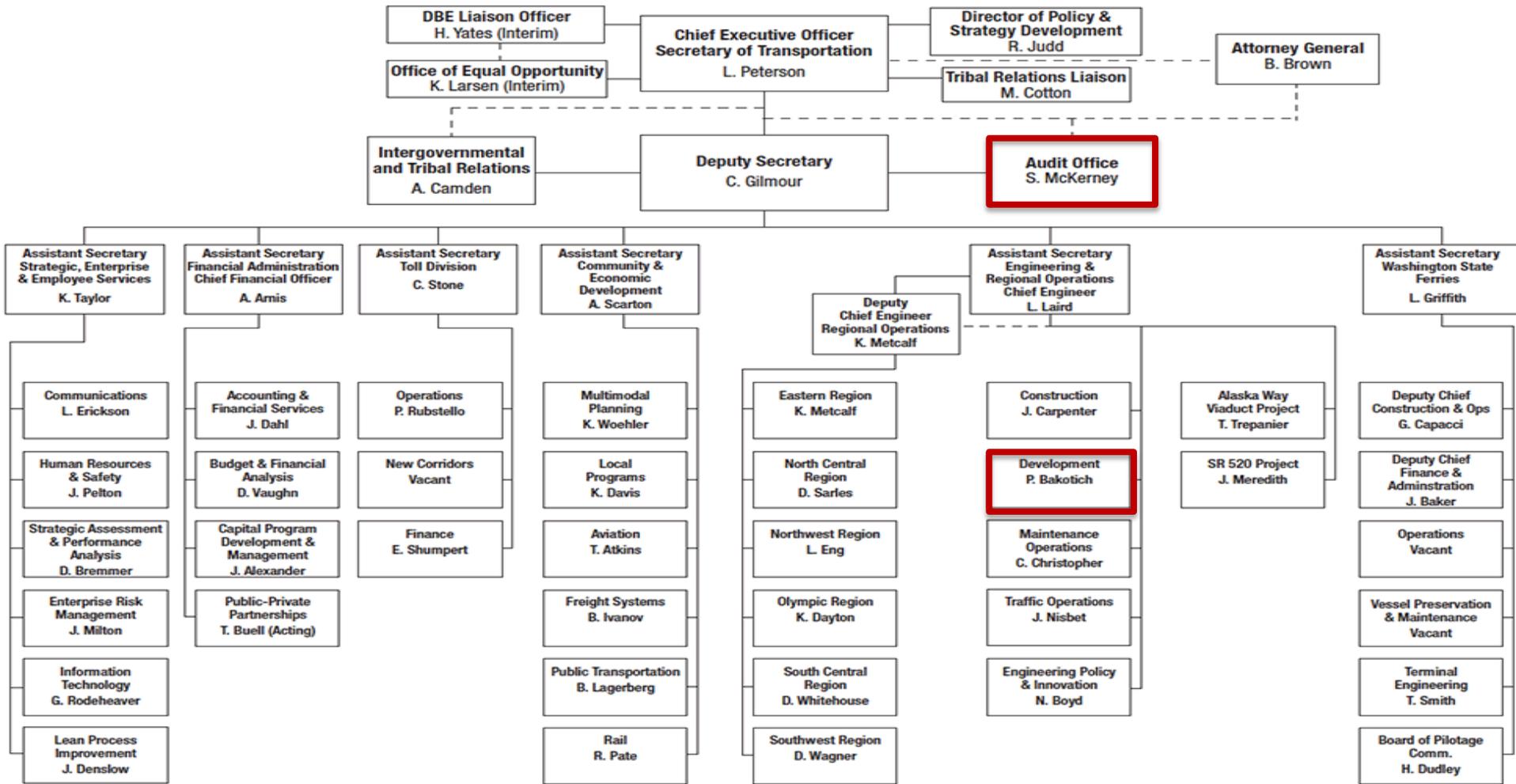
WSDOT contracts with architectural and engineering (A&E) firms to assist in various aspects of preparing for, designing and administering highway construction projects.

Contracting with A&E firms is done through the Consultant Services Office (CSO) under state and federal regulations.

CSO supports each Region along with the Local Programs Division, WSF, Rail, Public Transportation, Aviation, Bridge, Tolling, etc.

Agency Organization Chart

Citizens of the State of Washington
Governor Jay Inslee



Note: As of June 2, 2015

Internal Audit Office (IAO) Role within WSDOT

Internal Auditing is an independent, objective assurance and consulting activity.

IAO helps WSDOT to evaluate and improve the effectiveness of risk management, internal control, internal governance processes, and adherence to laws and regulations.

IAO services include (but not limited to): internal audits and consulting engagements; audits of agreements and contracts with external service providers such as consultants, and indirect cost rate reviews.

IAO also conducts internal investigations as requested by management.

Regulations for A/E Contracting

23 CFR, Highways (Code of Federal Regulations)

40 USC 1101-1104, Brooks Act (U.S. Code)

48 CFR Part 31, FAR (Federal Acquisition Regulation)

49 CFR Part 26, DBE (Disadvantaged Business Enterprise)

Chapter 39.80 RCW (Revised Code of Washington)

Procurement Requirement for A/E (Architecture and Engineering) Services

- Qualifications-Based Selection (QBS)

Qualifications-Based Selection (QBS)

Competitive procurement process established by Congress in 1972 as part of the Brooks Act.

The distinguishing feature of QBS (Qualifications Based Selection) over other types of consultant selection is that price is not used as a selection criterion.

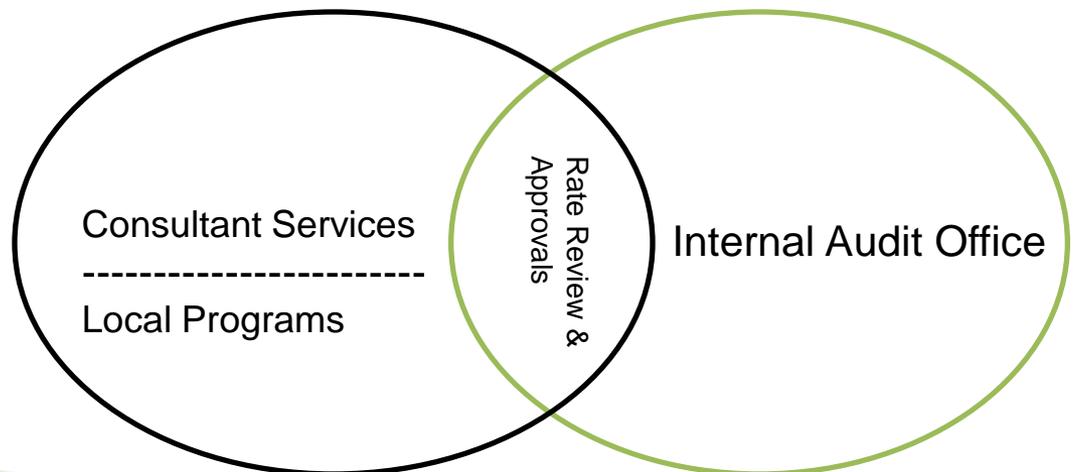
Once the “most highly qualified” consultant is selected, negotiations of “fair and reasonable price” commence.

“Rate Approval” Process

Standard WSDOT procedure requires all firms to have their billing rates approved, in writing, prior to being authorized to work on an A/E contract.

- Direct Labor (DL)
- Indirect Cost Rate (ICR)
- Fixed Fee (FF)

Consultants (Prime and Subs) must comply with the Federal Acquisition Regulation (FAR) Cost Principles (48 CFR Part 31)



FAR compliant? What's that?

FAR compliance means your firm has “an accounting system that contains separate accounts or sub-accounts for allowable and unallowable costs in accordance with FAR (48 CFR Part 31), and the capacity to track direct costs that are allocable directly to projects.”

AND

“a labor-charging/time keeping system that is complete and sufficiently detailed to allow for a proper determination of direct and indirect labor costs.”

What are the FAR compliant options?

Cognizant Letter – A cognizant agency (Federal or Home State DOT) performs an indirect cost rate audit and issues an audit report.

Independent CPA (Certified Public Accountant) Report – An indirect cost rate audit performed by an independent CPA (not part of the engineering consultant's organization) hired by the consulting firm.

WSDOT IAO (Internal Audit Office) Review – Reviews are an independent and objective service that the IAO provides to assist WSDOT Management in the negotiation process. These reviews are similar in nature to the above.

Safe Harbor Program – “The Pathway to Compliance” -- a pilot program that is intended to remove a potential, initial financial barrier that may otherwise prevent or inhibit new, small, and disadvantaged architectural and engineering (A/E) consulting firms from entering the State-administered, Federally-funded engineering services market. Details are found at the following link <http://www.wsdot.wa.gov/Audit/SafeHarbor.htm>

Safe Harbor Program

Multi-year program

Firms new to contracting with the government

Firms who have never had a FAR-compliant rate on a government contract

Firms willing to learn and grow

Provides an ICR (Indirect Cost Rates) of 110%

Not subject to audit

Allows a firm time to develop an indirect cost rate in accordance with the Federal Cost Principles

Where to find resources

WSDOT Consultant Services Office

<http://www.wsdot.wa.gov/business/consulting>

WSDOT Internal Audit Office (Safe Harbor, Timekeeping Webinar etc..)

<http://www.wsdot.wa.gov/audit/>

OMWBE

<http://omwbe.wa.gov/directory-of-certified-firms/>

FHWA

<http://www.fhwa.dot.gov/programadmin/172>

WSDOT Consultant Service Office

http://www.wsdot.wa.gov/business/consulting

WSDOT - Welcome to Cons... X

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Washington State Department of Transportation

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You are here: [Home](#) > [Business](#) > [Consultant Services](#)

More Information

- [Consultant Services Manual](#)
- [WSDOT Manuals](#)
- [Conflict Interest](#)
- [Regulations](#)
- [Business Requirements](#)
- [Audit Guide](#)
- [Accounting Manual, Chapter 10](#)
- [Contact Us](#)

Page maintained by:
Stephanie Williams

Welcome to Consultant Services

We obtain and manage architectural and engineering contracts for design and construction projects. We also manage a portion of personal services contracts for transportation studies, media and public involvement. Learn more about [consulting with WSDOT](#).

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NEWS

- [Biennial/Fiscal Year End Invoicing and Close-Out \(pdf 18kb\)](#)
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- [Safe Harbor: Revised 4-30-13](#)
- [Rate Information Changes](#)
- [Interpretive Guidance Documents](#)
- [Consultant Information Form: May 2013](#)
- [End of Biennium Invoice Procedures](#)

D/M/W/S/BE Information

- [Open House/Opportunity Forum \(pdf, 74kb\)](#)
- [DBE Payment system](#)
- [Disadvantaged Business Enterprise Program disparity study: May 2013](#)
- [DBE Disparity Study: Revised 5-18-13](#)
- [WSDOT Office of Equal Opportunity](#)
- [Office of Minority & Women's Business Enterprises \(OMWBE\)](#)
- [Directory of Certified Firms](#)

3:34 PM
4/15/2015

NAICS Codes and Commercially Useful Function

WSDOT Office of Equal Opportunity



Greg Bell
*Equal Opportunity Office
Disadvantaged Business Enterprise
Program Manager*

NAICS Codes

Only used by the UCP (Unified Certification Program) (via OMWBE)

- Determines size standard

Prime Contractors, when completing DBE program Utilization Certification form can only use work descriptors as listed in the firm's "Description of Work" block as listed in the DBE Directory

DBE subcontractor is responsible for ensuring they are correctly listed for all types of work they perform.

Civil Engineering Disciplines

Civil engineering is a professional engineering discipline that deals with the design, construction, and maintenance of the physical and naturally built environment, including works like roads, bridges, canals, dams, and buildings.

It is traditionally broken into several sub-disciplines including:

- Architectural Engineering, Environmental Engineering, Geotechnical Engineering, Control Engineering, Structural Engineering, Earthquake Engineering, Transportation Engineering, Forensic Engineering, Municipal or Urban Engineering, Water Resources Engineering, Materials Engineering, Wastewater Engineering, Offshore Engineering, Aerospace Engineering, Facade Engineering, Quantity Surveying, Coastal Engineering, Construction Surveying, and Construction Engineering.

Commercially Useful Function (CUF)

- Prime Contractor is responsible for ensuring the DBE Subcontractor is performing CUF
- Five (5) areas
 - Management
 - Personnel
 - Equipment
 - Materials
 - Performance (Industry Standards)

Questions and answers

Next steps: We want to hear your feedback!

Share your thoughts:

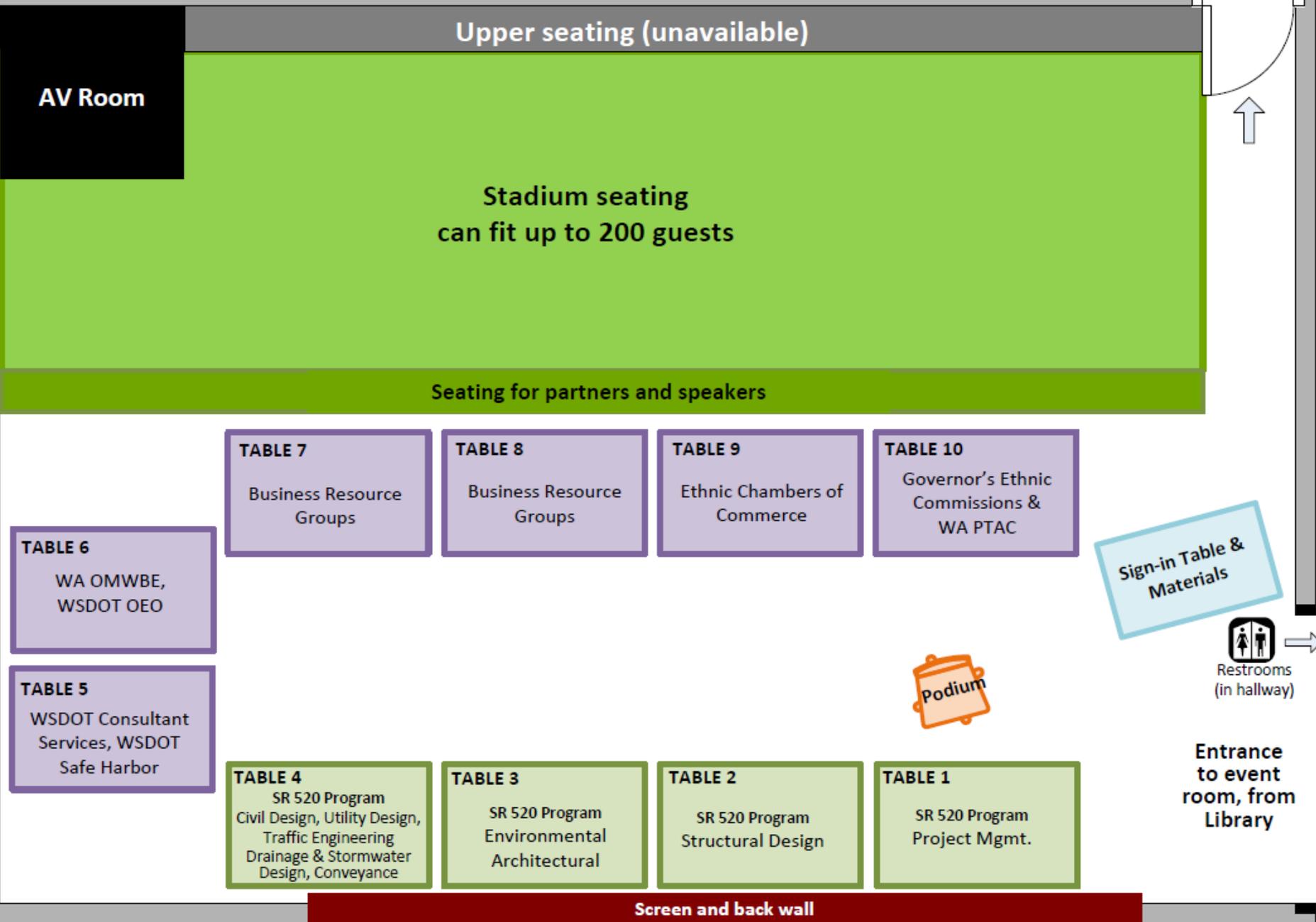
- Fill out feedback form tonight
- Take SurveyMonkey survey after event (to be sent out)
- Call or email Regina Glenn, SR 520 Diversity and Inclusion Manager
206-770-3520
GlennRe@consultant.wsdot.wa.gov



SurveyMonkey®



Event floor plan



Go out and network!