

**July 10, 2018**

**CONTRACT NO. 4400014182  
TRAFFIC SIGNAL DESIGNER  
STATEWIDE**

**Question and Answer**

Q1. How was the \$67/hour rate determined?

A1. The selected consultant will perform services similar to an Engineer 6 DCL. The services will be performed at DOTD (office space, design software, etc., will be provided). The specific rates of compensation were calculated using the ~~3<sup>rd</sup> quartile~~ hourly rate for an Engineer 6 DCL and the current DOTD payroll additive rate.

**July 16, 2018**

**Correction:** The specific rates of compensation were calculated using the **mid-point**, not the 3<sup>rd</sup> quartile, hourly rate for an Engineer 6 DCL, per PPM 52 and the current DOTD payroll additive rate of 31.56%.

Q2. Is profit included?

A2. The specific rate of compensation per hour noted in A1 is an all-inclusive rate. Profit is not included.

Q3. What is the minimum number of years that an audited labor rate(s) and field office indirect cost rates must be on file for the consultant to have established specific rates of compensation? Will the previous calendar year audit be sufficient to establish the specific rate of compensation?

A3. This contract will only utilize the DOTD-established rate of compensation of \$67 per hour for the life of the contract.

Q4. How was the maximum compensation derived?

A4. Maximum compensation is based on available funding. The annual maximum compensation per year is \$134,000. Once the total budget of \$264,000 has been exhausted, then the contract may expire. This contract could last up to 5 years.

Q5. Will the maximum compensation for the contract be adjusted based on the consultant's established labor and field indirect cost rates? If yes, how many hours per year and number of years will be used to determine the maximum compensation?

A5. No.

Q6. Currently, my firm does not have established labor rates on file with DOTD. Therefore, my rate of compensation would be the DOTD rate of \$67 per hour according to this contract. What is the process to establish a firms' labor rate? If the rate is approved by

DOTD, how long does this take and when would this approved labor rate be implemented by the Department?

A6. This contract will only utilize the DOTD-established rate of compensation of \$67 per hour for the life of the contract.

Q7. Is a firm locked in to the DOTD established rate of \$67 per hour for the length of the contract?

A7. Yes

Q8. Work Zone Training Requirements have been added to this contract. This is a new requirement. If my firm has not completed this requirement before this proposal is submitted, will this prevent my firm from being considered for this contract as currently advertised?

A8. No, but the Work Zone Training Requirements must be completed prior to contract execution.

Q9. Does this contract require a firm to perform an annual independent Certified Public Accountant home and field indirect cost rate? See Article XI Audit (March 2018) of the contract.

A9. In Addendum No. 2, Article XI Audit (March 2018) is deleted from the sample contract.

#### July 16, 2018

Q10. Does this payroll additive rate include costs incurred by consultants such as required liability insurance, required firm registration, and non-chargeable expenses like accounting, tax preparation, and contract application expenses?

A10. The \$67 per hour is the rate payable for this contract. No overhead costs or expenses, nor profit, is added to the \$67 per hour rate.

Q11. Was the Engineer 6 DCL salary taken from the new Pay Plan which was approved on January 2, 2018?

A11. Yes