



Request for Proposals

for Design and Engineering Services for I-280 Ocean Avenue Off-Ramp Project

Date Issued	Proposals Due	Expected Duration	Budget	DBE/SBE Goal	Contact
January 4, 2022	February 11, 2022, at 2:00 p.m. (electronically)	Two years	\$1,750,000	15%	Ron Leong Management Analyst 415.522.4817 ronald.leong@sfcta.org

SECTION I - NOTICE

Notice is hereby given that the San Francisco County Transportation Authority (Transportation Authority) is requesting proposals from qualified proposers to assist in design and engineering services and Caltrans right-of-way approval for the I-280 Ocean Avenue Off-Ramp Project (Project).

Pre-Proposal Conference. Although attendance at the pre-proposal conference is not mandatory, proposers and sub-consultants are encouraged to attend a pre-proposal conference to be held via Zoom. See the schedule in Section II for the conference date and time. Attendees are requested to confirm attendance by completing the online registration form at [Zoom Registration](#) by 5:00 p.m. the day before the conference.

Questions. Questions may be submitted in writing by the stated deadline by e-mail to info@sfcta.org; please include "RFP 21/22-13 - I-280 Ocean Avenue Off-Ramp Project" in the subject line. The Transportation Authority's responses will be posted to www.sfcta.org/contracting by the date indicated in the schedule, and any addenda to the RFP will also be made available on that webpage prior to the proposal due date. Please see Section II for all important dates and deadlines.

SECTION II - SELECTION PROCESS SCHEDULE

Date	Phase/Item Due
January 4, 2022	Release of RFP
January 11, 2022 at 5:00 p.m.	Pre-proposal conference attendees requested to submit registration: Zoom Registration
January 12, 2022, at 10:00 a.m.*	Pre-Proposal Conference via Zoom
January 13, 2022, 5:00 p.m.	Proposers to submit written questions to Transportation Authority



January 20, 2022*	Transportation Authority issues written responses to questions
February 11, 2022, 2:00 p.m.	Responses to RFP due electronically. Late submissions will not be accepted.
February 18, 2022*	Invitation(s) to interview issued to short list of proposers*(if necessary)
Week of February 28, 2022*	Interviews * (scheduled if necessary)
March 23, 2022*	The selection committee's recommendation to Citizens Advisory Committee for award
April 12, 2022*	Recommendation to Transportation Authority Board for award
April 26, 2022*	Transportation Authority Board awards contract

* *Subject to change*

SECTION III - BACKGROUND

The Transportation Authority was created in 1989 by the voters of the City and County of San Francisco (City) to impose a voter-approved transaction and use tax (i.e., sales tax) of one-half of one percent to fund essential traffic and transportation projects as set forth in the San Francisco County Transportation Expenditure Plan (Prop B Expenditure Plan) for a period not to exceed twenty years. In November 2003, San Francisco voters approved a new 30-year Expenditure Plan (Prop K Expenditure Plan) that superseded Prop B and continued the one-half of one percent sales tax.

The Transportation Authority Board consists of the eleven members of the Board of Supervisors of the City, who act as Transportation Authority Commissioners; nonetheless, pursuant to California Public Utilities Code Section 131000 et seq., the Transportation Authority operates as a special purpose governmental entity, independent of the City.

The Transportation Authority is designated under state law as the Congestion Management Agency for San Francisco County. In this capacity, the Transportation Authority has a wide range of responsibilities which include preparing the long-range Countywide Transportation Plan; prioritizing state and federal transportation funds designated for San Francisco; developing and operating a computerized travel demand forecasting model; and implementing the state-mandated Congestion Management Program.

PROJECT BACKGROUND AND PURPOSE

The Balboa Park Station Area, located in the central south side of San Francisco, is a busy and multi-faceted hub of transportation activity. Home to the busiest Bay Area Rapid Transit (BART) station outside of Downtown San Francisco, a San Francisco Municipal Transportation Agency (SFMTA) Muni light rail terminal and maintenance facility, multiple bus lines along Geneva and Ocean Avenues, and a historic streetcar depot; this area is one of the most important and heavily used transit hubs in the region. Meanwhile, Interstate 280 (I-280) traverses the neighborhood, with six freeway ramps tying into the local street network directly adjacent to the BART Station.



While this interchange provides vehicular access to regional transit and other neighborhood destinations, it also contributes to congestion, safety and access issues, and degrades the quality of the surrounding area.

Multiple planning and engineering feasibility studies have explored ways to improve various aspects of the station area, including the San Francisco Planning Department's Balboa Park Station Area Plan (2009), SFMTA's Balboa Park Station Pedestrian and Bicycle Connection Project (2009), and SFMTA's Balboa Park Station Capacity and Conceptual Engineering Study (2011).

Transportation Authority's Balboa Park Area Circulation Study (2014) focused on reconfigurations of the I-280 Ocean Avenue and Geneva Avenue off-ramps to improve pedestrian and bicyclists' safety, traffic circulation, and station access. The existing southbound I-280 off-ramp at Ocean Avenue is a high-speed, single-lane, uncontrolled merge onto westbound Ocean Avenue. This configuration presents a major pedestrian crossing challenge as well as automobile conflicts with bicycles and buses. Pedestrians traveling along the north side of Ocean Ave must cross the off-ramp at an uncontrolled crosswalk where vehicles exit the freeway at high speeds with limited sight distances. When bicyclists and vehicles traveling on westbound Ocean Avenue attempt to shift to the right lane, immediately past the ramp merge area, to turn right at Howth Street into City College of San Francisco (CCSF), they are required to merge with vehicles exiting the off-ramp over a short distance of approximately 150 feet. The selected recommendation from the Balboa Park Area Circulation Study was to realign the I-280 southbound Ocean Avenue off-ramp into a T-intersection with signal control to enhance bicycle and pedestrian safety.

Transportation Authority collaborated with the California Department of Transportation (Caltrans) to complete the Project Study Report - Project Report and received Caltrans' project approval in January 2021. The project received CEQA Categorical Exemption approval in July 2020 and is anticipated to received NEPA Categorical Exclusion approval by Caltrans during final design.

The Project area supports a high volume of pedestrian traffic due to the vicinity of the Balboa Park BART and Muni stations. Additionally, there are pedestrian destinations in the vicinity of the Balboa Park neighborhood, such as CCSF, Lick-Wilmerding High School, Balboa Park, and neighborhood retail along Ocean Avenue to the west of the college. Ocean Avenue is the primary east-west bicycle route in the area, with a mix of Class II bicycle lanes and Class III bicycle routes in each direction. This segment of Ocean Avenue has also been identified as part of the Vision Zero "High Injury Network," and is specifically a high-injury corridor for cyclists. The Vision Zero Action Strategy calls for redesign of corridors and intersections, with treatments to increase safety and reduce fatal crashes by improving visibility, calming traffic speeds, and encouraging road user compliance. Furthermore, the intersection displays several of the issues identified by the Caltrans Complete Intersections Guide as affecting free-flow ramps, including motorists traveling at high speed and unlikely to yield, acute intersection angle limiting visibility, and bicyclists forced to weave.



SECTION IV - SCOPE OF SERVICES

The Transportation Authority seeks professional consultant services to provide the necessary design and engineering services to produce all necessary documents, services, permits, and approvals to successfully complete project design.

The project development process for the Project will consist of design engineering, City and County of San Francisco permitting, Caltrans encroachment permit, Right-of-Way easement, final project design, and preparation of Plans, Specifications/Special Provisions and Estimate (PS&E). This RFP covers all work tasks. The Transportation Authority maintains the right to amend the contract of the selected consultant to proceed or continue with each task. The Transportation Authority also maintains the right to cancel any task, if the performance of the selected consultant team is unsatisfactory. The proposing teams will also be asked for their design qualifications with this RFP.

The successful firm shall demonstrate competency in all fields of expertise required by this RFP. The Transportation Authority is undertaking this effort in its capacity as Congestion Management Agency for San Francisco and in cooperation with San Francisco Public Works (SFPW), SFMTA, San Francisco Public Utility Commission (SFPUC), and Caltrans District 04.

TASK 1 - PROJECT MANAGEMENT

1.1 General Project Management - The selected consultant will perform the following project management tasks and activities:

- a) Supervise, coordinate, and monitor products development, for conformance with the Transportation Authority, SFPW, SFMTA, SFPUC, and Caltrans standards and policies.
- b) Coordinate all design staff and any subconsultants to assure the free and timely flow of information for each task activity.
- c) Assure compliance with codes and standards, as acceptable to SFPW, SFMTA, SFPUC, and Caltrans, and as approved by the Transportation Authority. An example would be the use of City and County San Francisco standards for arterials, local roads, utilities, retaining walls, and signage in City right-of-way; and Caltrans' standards in Caltrans' right-of-way.
- d) Assure that all documents requiring City and County of San Francisco (SFPW, SFMTA, and SFPUC) oversight review are prepared in accordance with City and County of San Francisco standards, guidelines, and procedures.
- e) Assure that all documents requiring Caltrans' approval are prepared in accordance with Caltrans' standards, guidelines, and procedures.
- f) Prepare a detailed Critical Path Method (CPM) schedule within two weeks after contract execution and submit an updated electronic file schedule on a monthly basis to Transportation Authority staff.



g) Prepare agendas and minutes for project team meetings.

h) Prepare and submit correspondences and memorandums.

1.2 Project Administration - The selected consultant will perform the following project administrative duties:

a) Prepare and submit monthly progress reports in the format directed by the Transportation Authority that will identify work performed on each task the preceding month. Percent complete compared to percentages billed for each task will be shown. Narratives will also compare progress in meeting the CPM schedule and will contain proposals for addressing any schedule issues.

b) Prepare a monthly summary of total charges made to each task. This summary shall present the contract budget for each task, any re-allocated budget amounts, the prior billing amount, the current billing, total billed to date, and a total percent billed to date. Narratives will contain a brief analysis of budget-to-actual expenditure variances, highlighting any items of potential concern for the Transportation Authority consideration before an item becomes a funding issue.

c) Provide monthly reporting indicating the amount of DBE and SBE firm participation based upon current billing and total billed to date.

d) Provide a monthly invoice in the standard format determined by the Transportation Authority that will present charges by task, by staff members at agreed-upon hourly rates, with summary expense charges and subconsultant charges. Detailed support documentation for all consultant direct expenses and subconsultant charges will be attached.

1.3 Quality Assurance/Quality Control (QA/QC) - The selected consultant will establish and implement a QA/QC procedure for activities undertaken by staff and by subconsultants. The QA/QC procedure set forth for the project shall be consistent with Caltrans' most recent version of the "Guidelines for Quality Control/Quality Assurance for Project Delivery". The QA/QC process for this project will consist of the following minimum reviews:

a) Discipline Review - Each responsible discipline leader will perform technical checking.

b) Peer Review/Coordination Checking - Coordination and independent checking activities will be performed by a separate group of engineers who have the capability to identify and evaluate coordination problems and to initiate, recommend, or provide solutions.

c) Constructability Review - A constructability review will be performed at major milestones.

1.4 Agency Coordination - The selected consultant will coordinate with agencies and companies as required for project development. Coordination effort will include the following organizations:



- a) SFMTA
- b) SFPW
- c) SFPUC
- d) Caltrans
- e) Affected utility and telecommunication companies
- f) Regulatory agencies
- g) CCSF
- h) Other stakeholders as necessary

1.5 Progress Meetings and Reporting - The selected consultant will attend, and conduct as necessary, the following meetings:

- a) Project Kick-Off meeting with Transportation Authority, SFPW, SFMTA, SFPUC, and Caltrans to identify the issues to be resolved, and to review the project scope of work.
- b) Technical workshop meetings with Transportation Authority, SFPW, SFMTA, SFPUC, Caltrans, utility companies, and other agencies to resolve identified issues.
- c) Regular monthly Project Development Team (PDT) Meetings. The selected consultant will conduct each of these meetings. The Transportation Authority will determine the location for the meetings. Required activities include the following:
 - i. Preparation and distribution of the agenda for the PDT meetings.
 - ii. Preparation and submittal of Status of Submittals Register.
 - iii. Preparation and distribution of meeting minutes, with action items clearly indicated, within five (5) days after each PDT Meeting.
- d) Public meeting(s) and hearing(s) to present preliminary alternatives and obtain public input in coordination with the Transportation Authority, SFPW, SFMTA, and SFPUC.

TASK 2 - RIGHT OF WAY ENGINEERING

Task 2 consist of all right-of-way engineering for the Project including obtaining Caltrans Encroachment Permit, utility relocation, and CCSF easements if necessary.

Deliverables:

- *All right-of-way engineering deliverables (Hard Copy, Appraisal Maps, Plat Maps, Legal Descriptions, etc.) prepared in accordance with City and County of San Francisco, and Caltrans standards*



- *Caltrans Encroachment Permit*
- *Right-of-Way Easement from CCSF for retaining wall and tie-backs*
- *Utility relocation right-of-way may include relocating an underground electric vault, water lines, gas lines, sewer, storm drain, overhead contact system, streetlights, and fiber optic lines as necessary*
- *CCSF bicycle/pedestrian entrance next to project and related right-of-way easement (OPTIONAL)*

TASK 3 - PROJECT ENGINEERING AND DESIGN

The project development process for the Project will consist of design engineering, the appropriate technical studies and reports as needed, final design and preparation of Plans, Specifications/Special Provisions and Estimate (PS&E). The Transportation Authority maintains the right to amend the contract of the selected consultant to continue with each task or subtasks.

Final design shall consist generally of the preparation of plans, specifications and estimates in accordance with current City and County of San Francisco and Caltrans standards. The final contract plans shall include all necessary plan sheets required for the complete construction of the project. In addition, the selected consultant shall be responsible for the preparation, submittal and approval of all accompanying documents (i.e., various design reports, utility relocations, permits, agreements, reports, survey notes, slope stake notes, SFPW permits and requirements, SFMTA permits and requirements, SFPUC permits and requirements, and Caltrans District Office Engineer/Headquarters Office Engineer permits and requirements). Below are the tasks that are anticipated to be performed, but the Transportation Authority reserves the right to add or eliminate any individual tasks and subtasks.

3.1 PS&E (35% Submittal)

Deliverables:

- *Geometric Approval Drawings including design exceptions if necessary*
- *35% Plans including typical cross sections*
- *Retaining Wall Structures Type Selection Report*
- *Survey and Base Map*
- *QA/QC documentation*

3.2 PS&E (65% Submittal)

Deliverables:

- *65% Plans (including roadway, retaining wall, and utility relocation)*
- *Geotechnical Borings and Report*
- *Foundation Report*
- *Hydraulics Report*
- *All necessary City and County of San Francisco permits*



- *Draft Agreements and Permits (Caltrans and utility providers, etc.)*
- *Draft Storm Water Pollution Prevention Plan (SWPPP)*
- *Draft Construction Cost Estimate*
- *Electronic copy of plans, design, reports, draft permits and draft agreements*
- *Traffic Management Plan (TMP)*
- *Constructability Review*
- *QA/QC documentation*

3.3 PS&E (95% Submittal)

Deliverables:

- *95% Plans*
- *Draft Final SWPPP*
- *Construction Cost Estimate*
- *Constructability Review*
- *Draft Agreements and Permits (City and County of San Francisco, Caltrans, and utility providers, etc.)*
- *Electronic copy of plans, design, reports, draft permits and draft agreements*
- *QA/QC documentation*

3.4 PS&E (100% Submittal)

Deliverables:

- *100% Plans including all final Construction Details and Erosion Control Plans*
- *Final SWPPP*
- *Fully Edited Draft Final Special Provisions in Caltrans format if necessary*
- *Draft Final Construction Cost Estimate*
- *Bid-ability Review*
- *Final Agreements and Permits*
- *Electronic copy of plans, design, reports, draft permits and draft agreements*
- *QA/QC documentation*
- *Visual renderings*

3.5 Final PS&E

Deliverables:

- *Final Contract Plans*
- *Final Reports, modified as necessary*
- *Final Agreements and Permits*
- *Final Special Provisions if necessary*
- *Final Construction Cost Estimate*
- *Resident Engineer's Files and Survey Files*



- *Permits (including all Caltrans, SFPW, SFMTA, and SFPUC permits), Agreements, Mitigation Reports*
- *Project Files*
- *Electronic copy of plans, design, reports, permits, agreements, estimates and Special Provisions*
- *QA/QC documentation*

Project schedule: The Transportation Authority desires to adhere to the milestone schedule shown below for the consultant contract. The schedule is intended to include adequate time for review and comments by the appropriate participating agencies.

- Contract Award - April 2022
- 35% PS&E and all Task 3.1 deliverables - September 2022
- 65% PS&E and all Task 3.2 deliverables - January 2023
- 95% PS&E and all Task 3.3 deliverables - June 2023
- City and County of San Francisco Permits and Agreements, Caltrans Encroachment Permit and CCSF Right-of-Way Easement - September 2023
- 100% PS&E and all Task 3.4 deliverables - October 2023
- Final PS&E and all Task 3.5 deliverables - December 2023

Preparation of the design engineering, City and County of San Francisco permits and approvals, CCSF easement, and Caltrans encroachment permit shall commence immediately following receipt of an executed contract from the Transportation Authority. The selected consultant/team shall be responsible for all work necessary to obtain all City and County of San Francisco permits and approvals, Caltrans encroachment permit, CCSF right-of-way, and complete Final PS&E, and shall comply with applicable local, State, and Federal standards.

SECTION V - RFP RESPONSE REQUIREMENTS: CONTENT AND FORMAT

All proposals should be clear, concise, and provide sufficient information to minimize questions and assumptions. Proposals should be limited to **15 pages** (no smaller than 12-point font shall be used), excluding cover letter, table of contents, the cost proposal, and the following items, which should be included as attachments: résumés, Disadvantaged Business Enterprise (DBE), and/or Small Business Enterprise (SBE) certifications. The Transportation Authority accepts no financial responsibility for any costs incurred in the preparation of proposals. Upon receipt by the Transportation Authority, all accepted proposals submitted in response to this RFP will become the property of the Transportation Authority.

Time and Place for Submission of Proposals. By the proposal submission deadline, the following must be transmitted:



- **Proposal** (written proposal): one (1) electronic copy (PDF) including all information herein requested. Please clearly specify in the subject line of the email transmittal: "Response to RFP 21/22-13 for I-280 Ocean Avenue Off-Ramp Project".
- **Cost proposal** (in a separate electronic file): one electronic copy (XLS/XLSX format) including all information herein requested. Please name the file: "Cost Proposal for RFP 21/22-13", and submit along with the proposal.

The proposals must be transmitted electronically to the Transportation Authority at the following address: info@sfcta.org.

All responses must be in writing and identified as to content and be received by the Transportation Authority by the due date. Proposals received later than the date and time specified in Section II above will be rejected.

Cover Letter. Proposers must submit a letter of introduction for the proposal. The letter must be signed by a person authorized by your firm to obligate your firm to perform the commitments contained in the proposal. Submission of the letter will constitute a representation by your firm that your firm is willing and able to perform the commitments contained in the proposal. The cover letter must also include the following content in the format as shown:

<p>1. Project Manager (The individual in charge of the scope of services, and who will be the Transportation Authority's contact throughout the contract duration)</p> <p>Name: Title: Address: City, State, ZIP: Phone Number: Email:</p>
<p>2. Selection Process Lead (The individual to whom correspondence and other contacts should be directed during the consultant selection process)</p> <p>Name: Title: Address: City, State, ZIP: Phone Number: Email:</p>



<p>3. Negotiating Officer (The individual who will negotiate with the Transportation Authority and who can contractually bind the proposer’s firm)</p> <p>Name: Title: Address: City, State, ZIP: Phone Number: Email:</p>
<p>4. List proposed co-venture arrangements or sub-consultants, if any:</p> <p>1. Company: DBE/LBE/SBE status: Percentage of involvement: Name: Title: Address: City, State, ZIP: Phone Number: Email:</p> <p>2. ...</p>
<p>5. <input checked="" type="checkbox"/> This letter is signed by an officer that is authorized to bind the proposer contractually.</p>
<p>6. <input checked="" type="checkbox"/> This proposal is firm for a 120-day period from the proposal submission deadline.</p>

Content. Proposals must contain the following five sections:

- 1. Proposer Information and Understanding of Project Objectives.** In this section, the proposer must provide a discussion demonstrating an understanding of the services to be provided, the challenges for each task, and their significance to the Transportation Authority.
- 2. Technical and Management Approach.** In this section, the proposer must describe its approach to the delivery of the services included in Section IV. This section must (1) reflect the proposer’s knowledge of, and ability to demonstrate, a sound approach to the requested services, and (2) include a discussion on potential impacts to cost, scope, and schedule based on lessons learned, including any recommendations the consultant proposes to lower and/or control costs given the proposed scope of the project.

Proposer must provide the names and positions of all staff for the proposed team. An organization chart should be included that clearly establishes principal team member firms and sub-consultants, if any. Proposer must also identify any specialty sub-consultants that



would not necessarily be part of the core team but would be available on an as-needed basis for specialty support. The proposal should also designate the Project Manager in charge of the scope of services and the Transportation Authority's contact throughout the contract duration. In addition, the proposal should briefly address how the efforts of each of the team members will be coordinated.

Proposals must discuss workload for all key team members, indicating their expected availability, the percentage of their time that will be devoted to the Transportation Authority's contract, and any other assurances as to their ability to provide the requested services in a responsive and timely manner. The description of the management approach should address proposed response time standards and how the management and team structure will help to meet those standards.

3. **Capabilities and Experience.** Proposers must state the qualifications and experience of the proposed team, emphasizing the specific qualifications and experience acquired while providing services similar to those being sought by the Transportation Authority, particularly for the Project Manager and other key project staff members assigned to the Project. Except under certain circumstances beyond the proposer's control, the Transportation Authority will not accept substitutions of key members of the team put forth as part of the winning proposal.

This section must include the following information:

- Names of Project Manager and team members;
- Résumés of all technical personnel to be assigned to work within the scope of services as outlined in Section IV (provide as attachments; résumés will not count toward the page limit);
- Statement of proposer's background and experience related to activities and services being sought through this RFP;
- Brief description of similar projects for which the proposer has provided services during the past five (5) years, including the following information:
 - Client, including reference contact information
 - Project description and location
 - Description of services
 - Total value of services provided
 - Actual budget performance vs. projected
 - Actual schedule performance vs. projected
 - Key personnel involved
 - Sub-consultants employed

4. **Assurances and Miscellaneous Items.** In this section, proposals must provide the following information:



- a. Proposers must complete and include the exhibits listed below within the submittal. These exhibits do not count toward the page limit; please provide as attachments to proposal. Exhibit samples are attached to this IRFP.

Exhibit	Prime Consultant	Subconsultant(s)
Exhibit A - Terminated Contracts	X	X
Exhibit B - Workforce Data Spreadsheets	X	X
Exhibit 10-H - Sample Cost Proposal	X	X

- b. Proposers must provide the names, telephone numbers, and email addresses of at least three references, in addition to Transportation Authority staff, if any. The references should cover work performed by the Project Manager and other key project staff members, and should be for work recently performed and similar in nature to the services sought in this RFP. The references must include a brief description of the projects involved and the roles of the respective team members in successfully completing the project.
- c. Proposers must specify any potential or perceived conflicts of interest which would disqualify its firm from doing business with the Transportation Authority. If proposers are unaware of existing or foreseeable conflicts of interest, a simple statement will suffice. However, proposers should provide a brief description of each apparent, existing, or foreseeable conflict of interest, if any. In addition, list all relevant assignments completed for the City and County of San Francisco within the last five (5) years, and any involvement with Transportation Authority-funded projects, to enable the Transportation Authority to identify any possible conflicts of interest.
- d. Proposers must list any political contributions of money, in-kind services, or loans made to any current member of the Transportation Authority Board of Commissioners within the last three (3) years by management positions of the proposed consultant or sub-consultant. If proposers are unaware of any political contributions, a simple statement will suffice. However, if proposers are aware of any political contribution, proposals should include details, such as to whom, what type of contribution, the date, and the amount.
- e. Proposers must clearly designate financial submittals or other materials in its submittal, if any, which it in good faith believes to be a trade secret or confidential proprietary information protected from disclosure. See Section IX below, for further details on public disclosure of responses and other materials.
- f. Respondents shall acknowledge receipt and understanding of the following Transportation Authority’s contracting requirements and state its ability and willingness to comply with each of them in its SOQ. The Transportation Authority does not intend to deviate from its standard contract language. For contracts with small businesses, the Transportation Authority may consider waiving or accepting lower insurance coverage, based on the scope of services required, as appropriate.



i. Insurance

Prior to commencement of work, the Transportation Authority will require the successful respondent to provide evidence of appropriate insurance coverage. The Transportation Authority's standard contract requires firms to maintain, during the full term of the contract term, insurance in the following amounts and coverages:

- (a) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident;
- (b) Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations;
- (c) Commercial Automobile Liability Insurance with limits not less than \$1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable; and
- (d) Professional Liability Insurance with limits not less than \$2,000,000 per claim. Sub-consultants providing professional services under this Agreement shall be added to Contractor's policy as additional insured, or shall provide evidence of their own professional liability insurance which is acceptable to the Transportation Authority's Executive Director.

Such coverage must be provided by an insurance company authorized to do business in the State of California. Commercial General Liability and Business Automobile Liability insurance policies must name the San Francisco County Transportation Authority as an Additional Insured and that the policies will not be cancelled or materially changed without thirty (30) days prior notice in writing to the Transportation Authority. Describe if your firm's insurance coverage and amounts meet the above-stated contract limitations.

ii. Indemnification

- (a) **Generally.** To the fullest extent permitted by law, Contractor shall assume the defense of (with legal counsel subject to approval of the Transportation Authority), indemnify and save harmless the Transportation Authority, its boards, commissions, officers, and employees (collectively "Indemnitees"), from and against any and all claims, loss, cost, damage, injury (including, without limitation, injury to or death of an employee of the Contractor or its sub-consultants), expense and liability of every kind, nature, and description (including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses, fees of expert consultants or witnesses in litigation, and costs of investigation), that arise out of, pertain to, or relate to, directly or indirectly, in whole or in part, the negligence, recklessness, or willful misconduct of the Contractor, any sub-consultant, anyone directly or indirectly employed by them, or anyone that they control (collectively, "Liabilities").



- (b) **Limitations.** No insurance policy covering the Contractor's performance under this Agreement shall operate to limit the Contractor's Liabilities under this provision. Nor shall the amount of insurance coverage operate to limit the extent of such Liabilities.

The Contractor assumes no liability whatsoever for the sole negligence, active negligence, or willful misconduct of any Indemnitee or the contractors of any Indemnitee.

- (c) **Copyright Infringement.** Contractor shall also indemnify, defend and hold harmless all Indemnitees from all suits or claims for infringement of the patent rights, copyright, trade secret, trade name, trademark, service mark, or any other proprietary right of any person or persons in consequence of the use by the Transportation Authority, or any of its boards, commissions, officers, or employees of articles or services to be supplied in the performance of Contractor's services under this Agreement. Infringement of patent rights, copyrights, or other proprietary rights in the performance of this Agreement, if not the basis for indemnification under the law, shall nevertheless be considered a material breach of contract.

iii. Incidental and Consequential Damages

Contractor shall be responsible for incidental and consequential damages resulting in whole or in part from Contractor's acts or omissions. Nothing in this Agreement shall constitute a waiver or limitation of any rights that Transportation Authority may have under applicable law.

5. **Cost.** The cost proposal will not count toward the page limit. This contract will be on a cost-reimbursement basis, which provides for payment of the successful proposer's allowable incurred costs, to the extent prescribed in the contract. The cost proposal must include a matrix with columns for hourly rate, classification, and names for all personnel and/or sub-consultants involved in the work described in Section IV above. It also must include a breakdown of hours and costs for each task listed in the scope of work. The cost proposal may include a percentage of any expected salary increases or cost of living adjustments, not to exceed 3% annually. The cost proposal must include a method for establishing rates for personnel or classifications not listed. Sub-consultant costs, travel, and all other direct costs will be reimbursed at cost with no markup allowed.

In addition to the matrix, cost proposals must be presented in the format required by Caltrans, shown in Exhibit 10-H, for the prime and all sub-consultants. This format for cost proposals must contain a breakdown of all cost components including: unloaded labor base rate, other direct costs, indirect cost rate, escalation and net fee.

Per Caltrans' requirements, all consultants, including prime and subconsultants, on a proposed contract with a dollar value greater than \$150,000 are subject to an Indirect Cost Rate financial review. Prior to contract execution, the selected prime consultant and its subconsultants are required to provide the following to the Transportation Authority:



- Consultant Annual Certification of Indirect Costs and Financial Management System (Exhibit 10-K)
- Indirect Cost Rate(s) schedule with Federal Acquisition Regulation references for disallowed costs, prepared in accordance with applicable Code of Federal Regulations from prime consultant and each sub-consultant firm. Prime consultants must have a Certified Public Accountant audited Indirect Cost Rate schedule.

And one of the following, as applicable:

- A copy of the cognizant agency approved letter for the indirect cost rate proposed; or
- Caltrans Indirect Cost Rate Acceptance ID #, which is an identification number issued by Caltrans upon review and acceptance of consultant's indirect cost rate(s) schedule for a specific fiscal year; or
- A post-closing trial balance and a completed Internal Control Questionnaire American Association of State Highway and Transportation Officials (AASHTO) Uniform Accounting and Audit Guide, Appendix B. The questionnaire is attached as Exhibit C; or
- Exhibit D - Safe Harbor Rate Consultant Certification Eligibility; Contract Costs and Financial Management System

SECTION VI - EVALUATION CRITERIA AND METHOD OF AWARD

The proposals will be evaluated by a selection committee appointed by the Executive Director and scored (maximum of 100 points) using the following criteria:

1. Proposer Information and Understanding of Project Objectives. (20 points)

- a. Responsiveness to all items requested in the RFP, such as completeness of submission, adherence to required page limits, overall organization, and clarity of proposal; and
- b. Understanding of the services to be provided, particularly in relation to the Transportation Authority, and challenges for each task.

2. Technical and Management Approach. (40 points)

- a. Effectiveness of the proposed work plan, program, and method of execution;
- b. Technical solutions to meet the scope of services; insight and understanding of special issues, problems and constraints, approach towards mitigating and resolving them;
- c. Effectiveness of the team's organizational structure in executing and managing the tasks;
- d. Management approach in providing technically sound and cost-effective services; and
- e. Ability/capacity to provide timely, qualified, and adequate staffing and services to support project demands.

3. Capabilities and Experience. (40 points)



- a. Capability of project team, specific relevant experience, qualifications, and expertise of each firm and subconsultant firm, especially the proposed key personnel; and
- b. Client references as to past project performance.

Evaluation Process. The selection committee retains the right to independently verify and evaluate relevant experience and client references, including any sources not mentioned in the proposal.

Submittals receiving an initial score of less than 70 points will not be considered further in the selection process. Proposers that have received a score of 70 points or higher may, at the Transportation Authority's sole discretion, be invited to an interview with the selection committee. The Transportation Authority reserves the right to not conduct oral interviews and determine the winning proposer based solely on the written proposal. If oral interviews are held, individuals who are identified as key personnel in the proposal are required to participate in the interview. Based on the results of the interview, the selection committee may adjust initial scores on the evaluation criteria identified above to arrive at the final evaluation score. The proposer with the highest final evaluation score shall be determined as the top proposer. Proposers who do not arrive for a scheduled interview, if one is held, will no longer be considered further in the selection process.

Once the top proposer has been identified and the proposer's cost and pricing data has been reviewed, Transportation Authority staff will start contract negotiations with that proposer. If contract negotiations are not successful, the second-ranked proposer may be asked to negotiate with the Transportation Authority. The goal of such negotiations will be to agree on a final contract that delivers the services and work described in this RFP at a fair and reasonable cost to the Transportation Authority. The award, if any, will be made to the proposer whose submittal is most responsive to the RFP and deemed most advantageous to the Transportation Authority. The Transportation Authority reserves the right to modify and/or suspend any and all aspects of this procurement, to obtain further information from any firm or person responding to this procurement, to waive any informality or irregularity as to form or content of this procurement or any response thereto, to be the sole judge of the merits of the proposals received, and to reject any or all proposals.

SECTION VII - DBE AND SBE REQUIREMENTS

DBE/SBE Policy. It is the policy of the Transportation Authority to make good faith efforts to solicit and obtain quotes, bids, or proposals from DBEs and SBEs, and to give small businesses the maximum feasible opportunity to participate in the performance of contracts funded in whole or in part with Transportation Authority resources. The Transportation Authority strongly encourages joint ventures among professional firms as a way to meet the Transportation Authority's DBE/SBE participation goals. Assistance in the formation of such joint ventures and/or associations may be obtained through the Human Rights Commission.

The Transportation Authority has established a DBE/SBE goal of **15%** for this contract. Firms that propose as **15%** DBE certified by the California Unified Certification Program, **15%** SBE certified



by the California Department of General Services, or a combination of DBEs and SBEs totaling **15%** will satisfy the DBE/SBE goal. Lesbian, Gay, Bisexual and/or Transgender Business Enterprises (LGBTBE), certified by the California Public Utilities Commission Supplier Clearinghouse, will also be counted toward the contract goal. Disabled Veteran Business Enterprise (DVBE) firms certified by the California Department of General Services will be considered as SBEs and will be counted toward the contract goal. Firms do not need to be certified by all agencies to meet the DBE/SBE requirements. Businesses must be certified by the proposal due date.

Certifications. Firms are requested to provide all applicable certificates or proof of certification along with their proposal, which will not count against the page limit. The Transportation Authority accepts certifications issued by the California Unified Certification Program, the California Department of General Services, or the California Public Utilities Commission Supplier Clearinghouse.

SECTION VIII - PROCUREMENT PROTEST AND APPEAL POLICIES AND PROCEDURES

The Transportation Authority has established protest procedures, which apply to all procurements of supplies, equipment, and services. Proposers must file protests with the Transportation Authority no later than five (5) business days after notice, actual or constructive, by the Transportation Authority's Executive Director or her designee, that either their bid (or proposal) is not being considered further, or a recommendation has been made to the Board to award to another bidder. Copies of these policies and procedures are kept at the Transportation Authority's offices and are available upon written request.

SECTION IX - NOTE REGARDING PUBLIC DISCLOSURE OF RESPONSES AND OTHER MATERIALS

Under the California Public Records Act (PRA; Government Code sections 6250 *et seq.*), records, information, and materials submitted to the Transportation Authority, not otherwise exempt, are subject to public disclosure. Immediately after the contract has been awarded, the materials submitted by all proposers will be open to inspection. Each party submitting a response to the RFP should clearly designate financial submittals or other materials, if any, which it in good faith believes to be corporate proprietary information, including trade secrets, protected from disclosure; if no materials are designated, the submitted proposal in its entirety may be subject to PRA. To the extent permitted by law, the Transportation Authority will attempt to maintain the confidentiality of such information by providing the proposer with notice that it has received a request. If the proposer desires that such materials not be disclosed, it may, at its own expense, take appropriate legal action to prevent such disclosure. However, such confidentiality cannot be assured, and the Transportation Authority will not be liable for the public disclosure of any material submitted to it.



APPENDICES AND EXHIBITS

The following documents are required by proposers on proposal due date:

- Exhibit A - Terminated Contracts
- Exhibit B - Workforce Data Spreadsheets
- Exhibit 10-H - Sample Cost Proposal

The following document(s) are attached and due from the selected consultant after contract award notification:

- Exhibit 10-K - Consultant Annual Certification of Indirect Costs and Financial Management System
- Exhibit C - AASHTO Internal Control Questionnaire for Consulting Engineers
- Exhibit D - Safe Harbor Rate Consultant Certification Eligibility; Contract Costs and Financial Management System

Exhibit A – Terminated Contracts

Proposers must provide a list of contracts terminated (partially or completely) by clients for convenience or default within the past three (3) years. For each contract, the list must include the following information:

- Contract number;
- Contract value;
- Description of work;
- Sponsoring organization name; and
- Sponsoring organization key contact information, including name, title and current telephone number.

Proposer does not have any terminated contracts by clients for convenience or default within the past three (3) years.

Authorized Signature

Date Signed

Printed Name

Title

Firm Name

**Exhibit B- Workforce Data Spreadsheet #1
Breakdown of existing employees**

Name of firm: _____

Address: _____

EMPLOYEE * CATEGORIES	TOTAL EMPLOYEE		AFRICAN AMERICAN		HISPANIC		ASIAN/ PAC. ISL.		AMER. IND./ ALAK. NTV.		TOTAL MINORITY		PERCENTAGE WHITE		PERCENTAGE MINORITY	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Officials																
Managers																
Professionals																
Technicians																
Admin. Support																
Trainees																
Others																
Full-time																
Part-time																
TOTAL																

COMPLETED BY Name: _____ Title: _____ Date: _____

* If the list of occupations on the left side of the workforce data form does not match your occupation titles, please modify the data form to indicate occupations particular to your organization.

Exhibit B – Workforce Data Spreadsheet #2
Breakdown of employees hired in last 12 months

Name of firm: _____

Address: _____

EMPLOYEE CATEGORIES	TOTAL EMPLOYEE		AFRICAN AMERICAN		HISPANIC		ASIAN/ PAC. ISL.		AMER. IND./ ALAK. NTV.		TOTAL MINORITY		PERCENTAGE WHITE		PERCENTAGE MINORITY	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Officials																
Managers																
Professionals																
Technicians																
Admin. Support																
Trainees																
Others																
Full-time																
Part-time																
TOTAL																

COMPLETED BY Name: _____ Title: _____ Date: _____

* If the list of occupations on the left side of the workforce data form does not match your occupation titles, please modify the data form to indicate occupations particular to your organization.

EXHIBIT 10-H1 COST PROPOSAL Page 1 of 3

COST-PLUS-FIXED FEE OR LUMP SUM OR FIRM FIXED PRICE CONTRACTS

(DESIGN, ENGINEERING AND ENVIRONMENTAL STUDIES)

Note: Mark-ups are Not Allowed

Prime Consultant Subconsultant 2nd Tier Subconsultant

Consultant _____

Project No. _____ Contract No. _____ Date _____

DIRECT LABOR

Classification/Title	Name	Hours	Actual Hourly Rate	Total
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

LABOR COSTS

a) Subtotal Direct Labor Costs _____

b) Anticipated Salary Increases (see page 2 for calculation) _____

c) **TOTAL DIRECT LABOR COSTS [(a) + (b)]** _____

INDIRECT COSTS

d) Fringe Benefits (Rate: _____) e) Total Fringe Benefits [(c) x (d)] _____

f) Overhead (Rate: _____) g) Overhead [(c) x (f)] _____

h) General and Administrative (Rate: _____) i) Gen & Admin [(c) x (h)] _____

j) **TOTAL INDIRECT COSTS [(e) + (g) + (i)]** _____

FIXED FEE

k) **TOTAL FIXED FEE [(c) + (j)] x fixed fee _____]** _____

l) CONSULTANT'S OTHER DIRECT COSTS (ODC) – ITEMIZE (Add additional pages if necessary)

Description of Item	Quantity	Unit	Unit Cost	Total

l) **TOTAL OTHER DIRECT COSTS** _____

m) SUBCONSULTANTS' COSTS (Add additional pages if necessary)

Subconsultant 1: _____

Subconsultant 2: _____

Subconsultant 3: _____

Subconsultant 4: _____

m) **TOTAL SUBCONSULTANTS' COSTS** _____

n) **TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS [(l)+(m)]** _____

TOTAL COST [(c) + (j) + (k) + (n)] _____

NOTES:

- Key personnel **must** be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
- The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.
- Anticipated salary increases calculation (page 2) must accompany.

EXHIBIT 10-H1 COST PROPOSAL Page 2 of 3
COST-PLUS-FIXED FEE OR LUMP SUM OR FIRM FIXED PRICE CONTRACTS
(CALCULATIONS FOR ANTICIPATED SALARY INCREASES)

1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

Direct Labor Subtotal per Cost Proposal	Total Hours per Cost Proposal	=	Avg Hourly Rate	5 Year Contract Duration
\$250,000.00	500		\$50.00	Year 1 Avg Hourly Rate

2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

	Avg Hourly Rate		Proposed Escalation			
Year 1	\$50.00	+	2%	=	\$51.00	Year 2 Avg Hourly Rate
Year 2	\$51.00	+	2%	=	\$52.02	Year 3 Avg Hourly Rate
Year 3	\$52.02	+	2%	=	\$53.06	Year 4 Avg Hourly Rate
Year 4	\$53.06	+	2%	=	\$54.12	Year 5 Avg Hourly Rate

3. Calculate estimated hours per year (Multiply estimate % each year by total hours)

	Estimated % Completed Each Year		Total Hours per Cost Proposal		Total Hours per Year	
Year 1	20.0%	*	5000	=	1000	Estimated Hours Year 1
Year 2	40.0%	*	5000	=	2000	Estimated Hours Year 2
Year 3	15.0%	*	5000	=	750	Estimated Hours Year 3
Year 4	15.0%	*	5000	=	750	Estimated Hours Year 4
Year 5	100%	*	5000	=	500	Estimated Hours Year 5
Total	100%		Total	=	5000	

4. Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)

	Avg Hourly Rate (calculated above)		Estimated hours (calculated above)		Cost per Year	
Year 1	\$50.00	*	1000	=	\$50,000.00	Estimated Hours Year 1
Year 2	\$51.00	*	2000	=	\$102,000.00	Estimated Hours Year 2
Year 3	\$52.02	*	750	=	\$39,015.00	Estimated Hours Year 3
Year 4	\$53.06	*	750	=	\$39,795.30	Estimated Hours Year 4
Year 5	\$54.12	*	500	=	\$27,060.80	Estimated Hours Year 5
	Total Direct Labor Cost with Escalation			=	\$257,871.10	
	Direct Labor Subtotal before Escalation			=	\$250,000.00	
	Estimated total of Direct Labor Salary Increase			=	\$7,871.10	Transfer to Page 1

NOTES:

1. This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.
2. An estimation that is based on direct labor multiplied by salary increase % multiplied by the # of years is not acceptable.
(i.e. \$250,000 x 2% x 5 yrs = \$25,000 is not an acceptable methodology)
3. This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.
4. Calculations for anticipated salary escalation must be provided.

EXHIBIT 10-H1 COST PROPOSAL Page 3 of 3

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. [Title 23 United States Code Section 112](#) - Letting of Contracts
4. [48 Code of Federal Regulations Part 31](#) - Contract Cost Principles and Procedures
5. [23 Code of Federal Regulations Part 172](#) - Procurement, Management, and Administration of Engineering and Design Related Service
6. [48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board](#) (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement. Local governments are responsible for applying only cognizant agency approved or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Subconsultant Certifying:

Name: _____ Title *: _____

Signature : _____ Date of Certification (mm/dd/yyyy): _____

Email: _____ Phone Number: _____

Address: _____

*An individual executive or financial officer of the consultant’s or subconsultant’s organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:



Internal Control Questionnaire for Consulting Engineers

Name of Consulting Firm:

Company Website Address:

Agency Prepared for:

Time Period Covered:

Please include the following attachments:

- FAR Part 31 Overhead Audit Report for most recent fiscal year, including audited Overhead Schedule and related reconciliation to the financial statements
- Cognizant Audit Letter (if applicable)
- Financial Statements (Balance Sheet, Income Statement, and Statement of Cash Flows) for most recent fiscal year
- Independent CPA's Report on Financial Statements and accompanying Management Letter
- Written Policies, as requested throughout this Questionnaire
- Sample Timesheet
- Current Chart of Accounts that ties to Financial Statements and Overhead Schedule

Company Name:

Who is the contact person for accounting questions?

Name:

Title:

Phone Number:

E-mail Address:

Headquarters Address:

Location of Accounting Records:

TIN (Taxpayer Identification Number):

Fiscal Year End:

A. Background Information

1. When was the organization formed?

2. What form of business entity is the organization?

- A. Sole Proprietorship
- B. Partnership
- C. C Corporation
- D. S Corporation
- E. Other

AASHTO Internal Control Questionnaire for Consulting Engineers

3. Is your firm a subsidiary of another organization?

A. Yes If yes, explain

B. No

4. Does your firm own or control any other organizations through common ownership?

A. Yes If yes, explain

B. No

5. List the major stockholders, partners, or other owners with greater than 5% ownership of the organization, and their percentage of ownership?

Name:

Title:

Ownership %:

6. What type of services does the organization provide? (e.g., consultant – Architectural/Engineering)

7. How many offices does the organization currently have and in what states?

8. How many employees does the organization currently employ?

A. Full time

B. Part-Time

9. For most recent fiscal year, what percentage of the company's revenue was in each of the following categories?

A. State Government %

B. Federal Government %

C. Local Government %

D. Private %

10. What percentage of the company's revenue was from:

A. Lump Sum %

B. Cost Plus (time and materials) %

C. Cost plus fixed fee %

D. Other % Explain other

AASHTO Internal Control Questionnaire for Consulting Engineers

B. Accounting - General

1. Has the same fiscal year been used for the past two years?

2. What basis of accounting does your firm use? Cash Accrual

3. Do you have written accounting policies concerning the following topics (if yes, please provide a copy):

	Yes	No
• Accounting system	<input type="checkbox"/>	<input type="checkbox"/>
• Billing	<input type="checkbox"/>	<input type="checkbox"/>
• Cost Estimating/Allowability	<input type="checkbox"/>	<input type="checkbox"/>
• Bonus Policy	<input type="checkbox"/>	<input type="checkbox"/>
• Recording Time Worked/ Time Sheet Preparation	<input type="checkbox"/>	<input type="checkbox"/>
• Fringe Benefits/Leave Time	<input type="checkbox"/>	<input type="checkbox"/>
• Recording Overtime	<input type="checkbox"/>	<input type="checkbox"/>
• FAR Compliance	<input type="checkbox"/>	<input type="checkbox"/>
• Recording Direct vs. Indirect Costs	<input type="checkbox"/>	<input type="checkbox"/>
• Overhead/Indirect Rate Development	<input type="checkbox"/>	<input type="checkbox"/>
• Billing Rate Development	<input type="checkbox"/>	<input type="checkbox"/>

4. Are appropriate personnel within your firm familiar with the Code of Federal Regulations 48, Chapter 1, Part 31 (commonly known as Federal Acquisition Regulation (FAR) Part 31)?

A copy of the FAR can be viewed at www.arnet.gov/far/

A. Yes B. No

5. Has an independent audit, review, attestation or compilation been performed in the past 3 years on any phase of your operation by a CPA firm or governmental agency?

Financial Statements: Audit Review Compilation Other

Firm:

Contact:

Dates:

Overhead Rate: Audit Review Attestation Compilation Other

Was the overhead rate calculated in accordance with FAR Part 31? Yes No

Firm:

Contact:

Dates:

Project Audits: Audit Review Attestation Compilation Other

Firm:

Contact:

Dates:

AASHTO Internal Control Questionnaire for Consulting Engineers

6. Does your firm have an Indirect Cost Rate Schedule?

- A. Yes B. No

If yes, is it prepared within your firm or by another organization (CPA firm, etc.)?

Date of last schedule?

7. Is management aware of any instances of fraud, illegal acts, abuse or violations of provisions of contracts or grant agreements that have a material effect?

C. Accounting System(s)

1. What type of accounting software does the organization use?

2. Do you have a job cost accounting system? Yes No

If no, explain what type of system you maintain.

3. Does your general ledger interface with the job cost ledger?

4. Which of the following records are maintained by your firm to support financial transactions?

- | | | |
|-------------------------------|------------------------------|-----------------------------|
| a. General ledger | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| b. Cash disbursements journal | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| c. Cash receipts journal | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| d. Project Cost Ledger | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| e. Labor Distribution | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| f. Employee Expense Reports | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| g. Payroll Register | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

5. Are there separate direct and indirect accounts in the general ledger for:

- | | | |
|-------------|------------------------------|-----------------------------|
| a. Labor | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| b. Expenses | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

6. Is there a system in place to identify and remove unallowable costs per FAR from your indirect cost pools?
If so, please explain.

How are the appropriate personnel informed of what are unallowable costs?

7. Do you have more than one division/cost center? If so, do you maintain separate ledgers for each?

AASHTO Internal Control Questionnaire for Consulting Engineers

8. Does your firm reconcile its financial accounting system to its job cost accounting system? If so, how often?
9. Does your firm reconcile bank statements? If so, how often?
10. Does your firm use a budget system *for* project planning and oversight?
11. Are reports prepared to compare budget to actual amounts on projects, and are the reports distributed to the appropriate management personnel?
12. Are cost allocation methods consistent for all State and Federal government contracts? If not, please explain.
13. Does your firm use a single base or multiple bases when computing your overhead rate?
14. Does your firm have field offices? If yes, do you compute separate overhead rates for the home and field offices?

D. Information Technology Systems (IT)

1. Does your firm have written IT policies concerning the following topics (if yes, please provide a copy):
 - a. Hardware/Software. Yes No
 - Purchasing Yes No
 - Inventory Yes No
 - Maintenance Yes No
 - Access Yes No
 - Use of In-house and off-site Yes No
 - Addition and Removal Yes No
 - b. Business Continuation Plan. Yes No
 - c. Security Protocol. Yes No
 - d. Activation and deactivation of employees upon arrival or departure. Yes No

AASHTO Internal Control Questionnaire for Consulting Engineers

2. Has an IT risk assessment been conducted within the past three years?
3. Are system security and application access logs enabled and reviewed periodically?
4. If documents are electronically retained, are they converted into a format that cannot be easily modified, removed or replaced, is there a mechanism in place to appropriately track if a document is modified, removed, or replaced?

E. Accounting – Payroll

1. Does your firm use an external payroll service? Yes No
2. What are the pay cycles? Bi-weekly Monthly 1st and 15th Other
If you use more than one pay period, please explain.
3. Does the payroll register indicate the following?
 - a. Gross pay Yes No
 - b. Payroll deductions Yes No
 - c. Net pay Yes No
 - d. Check amount Yes No
 - e. Hourly Rate Yes No
 - f. Pay period Yes No
 - g. Normal Hours for pay period Yes No
4. Does your firm use an electronic timekeeping system? Yes No
If yes, please provide an explanation of its operation or system documentation.
5. Are employees responsible for signing their own timesheets? Yes No
6. Do supervisors approve timesheets? Yes No
Additional comments:
7. Is time worked by principals certified/approved? Yes No
If no, how is time accounted for/billed to projects?

AASHTO Internal Control Questionnaire for Consulting Engineers

F. Labor Cost Accumulation

1. Does your firm maintain timesheets which indicate direct and indirect hours? Yes No
Explain the method your firm uses to segregate direct and indirect labor hours.
2. How do employees code direct vs. indirect time on their timesheets?
3. What is your firm's normal work week hours?
4. Do principals and salaried personnel record all hours worked? Yes No
If no, please explain.
5. Does this include hours worked in excess of the normal week? Yes No
6. Explain how your firm accounts for *uncompensated overtime* —the hours worked without additional compensation in excess of an average of 40 hours per week by direct charge employees who are exempt from the Fair Labor Standards Act. What is the effect of uncompensated overtime on direct and indirect labor rates?
7. Please attach your policies for vacation and sick leave.
8. How does your firm segregate work performed under a basic agreement/contract from work charged for contract changes/modifications?

G. Labor Billings

1. Describe how billing rates are determined (or attach policy).
2. Is it company policy to pay overtime at a premium? Yes No

If yes, what premium rate is paid and who is eligible?
3. Is overtime premium ever billed directly to a job? Yes No
Explain.
4. If your firm pays a principal or an employee at a rate in excess of a contract's maximum hourly rate, where will the difference be assigned?
5. Do you bill contract labor to projects? If yes, explain how you bill contract labor (direct or as an other direct cost). If billed as direct labor, is overhead applied to this labor?

AASHTO Internal Control Questionnaire for Consulting Engineers

H. Expense Accumulation and Billing

1. What type of direct expenses besides labor does your firm normally bill to clients?
2. Are credits/reimbursements received for indirect costs applied to the indirect cost pool? If no, please explain.

Yes No , explain

3. Explain the accounting and billing for the in-house items listed below.

	Direct	Indirect
a. Automobile	<input type="checkbox"/>	<input type="checkbox"/>
b. Computer (non-CADD)	<input type="checkbox"/>	<input type="checkbox"/>
c. CADD	<input type="checkbox"/>	<input type="checkbox"/>
d. Telephone	<input type="checkbox"/>	<input type="checkbox"/>
e. Printing / reproduction	<input type="checkbox"/>	<input type="checkbox"/>
f. Postage	<input type="checkbox"/>	<input type="checkbox"/>
g. Lab	<input type="checkbox"/>	<input type="checkbox"/>
h. Drilling	<input type="checkbox"/>	<input type="checkbox"/>
i. Travel	<input type="checkbox"/>	<input type="checkbox"/>
j. GPS and/or Nuclear Density Meters	<input type="checkbox"/>	<input type="checkbox"/>
k. Other (list if significant)	<input type="checkbox"/>	<input type="checkbox"/>

4. Describe the accounting treatment for direct costs not billable to the client.

5. **Vehicle Expenses.** Does your firm provide vehicles to employees for business purposes? Yes No

a. If yes, are the vehicles leased or owned? Leased Owned

b. Identify the total number of vehicles owned or leased by your firm. Owned Leased

c. Are mileage logs maintained for all vehicles? If no, please explain. Yes No

Explanation:

d. Is mileage separated by direct and indirect classifications? Please explain. Yes No

Explanation:

e. What rate does your firm use for company vehicle mileage reimbursement?

f. How was the rate developed?

AASHTO Internal Control Questionnaire for Consulting Engineers

6. **Computer Expenses.** Are your firm's computer expenses incurred as a result of: (select one)

Outside Services? Company ownership? Both?

a. Does your firm compute a charge rate for computers? Yes No

 If yes, then what is the rate?

b. How was this rate developed?

c. Is computer usage segregated by direct and indirect classifications? Yes No

d. Are computer usage logs maintained and coded by job/project? Yes No

7. **Printing and Reproduction Costs.** How are printing and reproduction expenses billed?

In House: Direct Cost Indirect Cost Combination of Both
Outside vendor: Direct Cost Indirect Cost Combination of Both

If you marked combination of both, please explain:

a. For in house services, are usage logs maintained and coded by job/project? Yes No

b. Is usage segregated by direct and indirect classifications? Yes No

c. If these costs are incurred through the use of an outside vendor, are the invoices coded by job/project when received? Yes No

8. **Telephone Costs.** How is the telephone service expense billed?

Direct Cost Indirect Cost Combination of Both (please explain)

a. Does your firm maintain a telephone log to record toll calls? Yes No

b. Are the calls job coded by direct and indirect classifications? Yes No

I. Other - General

1. Did your firm pay bonuses last year? Yes No

 If yes, were the bonuses included in the submitted overhead rate? Yes No

2. Does your firm have a written bonus plan? Yes No

 If yes, please provide a copy.

 Are all employees eligible for the bonuses? Yes No

AASHTO Internal Control Questionnaire for Consulting Engineers

3. Has your firm or CPA performed an evaluation of compensation reasonableness in accordance with FAR 31.205-6 as part of your overhead audit? Yes No

If yes, how has this process been documented? Explanation:

4. If you are renting facilities from another organization, are any of your owners/stockholders, or members of their immediate family, also owners/stockholders in the other organization? If yes, please explain.
Yes No

5. Does your company pay life insurance for officers/principals of the company? Yes No
If yes, who is the beneficiary of the life insurance?

6. Has your firm, its parent or subsidiary, or any owner, stockholder, officer, partner or employee of your firm been suspended or debarred from doing business by any State or the Federal government?
Yes No If yes, provide complete details.

7. Is there a process in place for the timely updating of procedures for changes in the cost principles?

8. Is there a process for assessing risks resulting from changes in cost accounting systems or processes? How are these risks identified and addressed?

9. How does information flow from the FHWA/State DOT to appropriate management personnel?

I certify that to the best of my knowledge and belief this questionnaire is a complete and accurate representation of the above-named organization's cost accounting and billing practices.

Typed or Printed Name

Signature

Title

Date Completed

Note: The representations made on this ICQ are the responsibility of the firm's management.

**SAFE HARBOR RATE
CONSULTANT CERTIFICATION OF ELIGIBILITY;
CONTRACT COSTS AND
FINANCIAL MANAGEMENT SYSTEM**

Consultant Firm Name: _____

Local Agency (if applicable): _____

Contract # (if applicable): _____

Federal Project #: _____

Contract Total: \$ _____

For Subconsultants - estimated % of work to be performed: _____%

Safe Harbor Rate (Indirect Cost Rate): **110%**

CERTIFICATION OF ELIGIBILITY:

I, the undersigned, certify that I am eligible to use the safe harbor indirect cost rate as I:

1. Do not have relevant contract cost history to use as a base for developing a Federal Acquisition Regulations (FAR) of Title 48, Code of Federal Regulations (CFR), Part 31 compliant indirect cost rate (ICR).

OR

1. Do not have a previously accepted ICR by a cognizant agency, or with an audited/accepted actual ICR, and do not have an existing contract with a provisional rate
2. Am not a Prime Consultant on a Caltrans' contract \geq \$3.5M OR Local Government contract \geq \$1M, regardless of the participation amount.

CERTIFICATION OF FINANCIAL MANAGEMENT SYSTEM:

I, the undersigned, certify that our financial management system in place for this contract and moving forward meets the standards for the Safe Harbor Rate requirements and financial reporting, accounting records, internal and budget control as set forth in the FAR of Title 49, CFR, Part 18.20. These standards require consulting firms have an accounting system adequate to accumulate, and track allowable, allocable, and reasonable direct labor and other direct costs by contract; segregate indirect costs, and remove unallowable costs.

* Consultant Certification Signature: _____
(Sign in blue ink only)

Consultant Certifying (Print): _____

Name: _____

Title: _____

Consultant Contact Information:

Email: _____

Phone: _____

Business Mailing Address: _____

Date of Certification: _____

*An executive or financial officer of the contractor's organization who has authority to represent the financial information utilized to establish the proposal submitted in conjunction with the contract.

ALSO REQUIRED IF PARTICIPATING ON A CALTRANS' CONTRACT

Attach a copy of your completed:

Safe Harbor Rate Questionnaire for Evaluating Consultant's Financial Management System

Safe Harbor Rate
Questionnaire for Evaluating Consultant's Financial Management System

Consultant Name: _____

Headquarter Address: _____

Location of Accounting Records: _____

Name: _____

Title: _____

Email: _____

Phone: _____

Mailing Address: _____

To be eligible for a Safe Harbor Rate the Consultant's financial management system must be adequate to accumulate and track direct labor and other direct costs by contract, segregate indirect costs, and remove unallowable costs in accordance with 48 CFR Part 31.

Instructions:

1. This questionnaire should be completed by personnel (e.g. accounting staff) with working knowledge of the Consultant (Company)'s financial management system.
2. Answer all questions and provide an explanation and additional supporting documentation where requested.
3. If additional space is required, please attach a separate sheet and refer to items being answered by number.

References:

Title 48 Code of Federal Regulations (CFR) Part 31 -Federal cost principles (48 CFR Part 31)
Title 48 CFR Chapter 99, Subchapter B - Procurement Practices and Cost Accounting Standards
Title 23 United States Code (U.S.C.), Chapter 1, Section 112 - Letting of Contracts
Title 23 CFR, Chapter 1, Part 172 - Procurement, Management, and Administration of Engineering and Design Related Services
American Association of State Highway and Transportation Officials (AASHTO) Uniform Audit & Accounting Guide (2016 Edition)

Definition of Terms:

Direct cost is any cost that is identified specifically with a particular cost objective. Direct costs are not limited to items that are incorporated in the end products as material or labor. Costs identified specifically with a contract are direct costs of that contract. All costs identified with other final cost objectives of the contractor are direct costs of those objectives. (48 CFR Part 31.202)

Indirect or overhead cost is any cost that is not directly identified with a single final cost objective, but is identified with two or more final cost objectives or with at least one intermediate cost objective. (48 CFR Part 31.203)

Has the Company developed an indirect cost rate in the past? Yes No

If "Yes," you are not eligible to use the Safe Harbor Rate. Do not continue with this Questionnaire and please complete the AASHTO Appendix-B ICQ and provide an ICR Schedule.

Is the Company a Prime Consultant on a Caltrans' contract ≥ \$3.5M OR Local Government contract ≥ \$1M, regardless of the participation amount? Yes No

If "Yes," you are not eligible to use the Safe Harbor Rate. Do not continue with this Questionnaire and please complete the AASHTO Appendix-B ICQ and provide an **Audited** ICR Report.

1. What form of business entity is the Company?

Sole Proprietorship Partnership C Corporation S Corporation

Other _____

2. What types of services will the Company provide for this contract? (Select all that apply.)

Architectural and Engineering services	Program Management
Preliminary Engineering	Design Engineering
Surveying	Feasibility Studies
Mapping or Architectural related services	Other _____

3. Does the Company have prior government contracting experience? Yes No

4. Does the general ledger contain separate direct and indirect accounts for the following?

• Labor	Yes	No	• Non-Labor	Yes	No
---------	-----	----	-------------	-----	----

Note: This will support that all direct costs are accounted for and traceable from the job cost ledger to the general ledger.

5. Do you have written policies on the following cost categories?

• Accounting	Yes	No	• Overtime	Yes	No
• Billing	Yes	No	• Direct/Indirect Expenses	Yes	No
• Timesheet Preparation	Yes	No	• Prevailing Wage	Yes	No

6. What types of employee status will the Company provide for this contract?

Non-exempt

Exempt-salaried

Exempt-hourly

Contract Employee

Other _____

7. Premium Overtime. Does the Company pay overtime at a premium to any employees?

Yes

No

If yes, answer questions below. If no, continue to question 8.

- What premium rate is paid for Non-Exempt employees:

Time-and-a-half and double-time

Straight rate

Other (Please explain) _____

- What premium rate is paid for Exempt-Hourly employees:

Time-and-a-half and double-time

Straight rate

Other (Please explain) _____

- How is premium overtime accounted for and billed?

As part of Direct Labor
(overhead is applied)

As an indirect labor cost (included in the
indirect cost rate and not directly billed)

As an Other Direct Cost
(no overhead applied)

Other _____
(Please explain)

8. Is indirect and direct labor separated by contract/project/cost objectives on employee timesheets with reporting codes?

Yes

No

9. Are contracts/projects assigned a unique identification/project number in your accounting system?

Yes

No

10. Besides labor, does the Company normally bill/invoice the following as direct contract/project costs? (Select all that apply.)

Vehicle

Shipping

Computer/CADD

Lab

Printing

Travel

Specialty Equipment
(List Below)

Other (List Below)

10a. Is Vehicle normally billed/invoiced as a direct contract/project costs? Yes No

- Are mileage logs maintained for all vehicles? If "No," please explain below.

Explanation: _____

- What is the recovery/billing rate used for Company or personal vehicle mileage reimbursement?

\$_____per mile

I certify that to the best of my knowledge and belief the responses to this questionnaire are accurate.

Print Name: _____

Signature: _____
(Sign in blue ink only)

Title: _____

Date Completed: _____

**EXHIBIT 10-K CONSULTANT ANNUAL CERTIFICATION OF
INDIRECT COSTS AND FINANCIAL MANAGEMENT SYSTEM**

(Note: If a Safe Harbor Indirect Cost Rate is approved, this form is not required.)

Consultant's Full Legal Name: _____

Important: Consultant means the individual or consultant providing engineering and design related services as a party of a contract with a recipient or sub-recipient of Federal assistance. Therefore, the Indirect Cost Rate(s) shall not be combined with its parent company or subsidiaries.

Indirect Cost Rate:

Combined Rate _____ % **OR**

Home Office Rate _____ % and Field Office Rate (if applicable) _____ %

Facilities Capital Cost of Money _____ % (if applicable)

Fiscal period * _____

* Fiscal period is annual one year applicable accounting period that the Indirect Cost Rate was developed (not the contract period). The Indirect Cost Rate is based on the consultant's one-year applicable accounting period for which financial statements are regularly prepared by the consultant.

I have reviewed the proposal to establish an Indirect Cost Rate(s) for the **fiscal period** as specified above and have determined to the best of my knowledge and belief that:

- All costs included in the cost proposal to establish the indirect cost rate(s) are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) 48, Code of Federal Regulations (CFR), Chapter 1, Part 31 (48 CFR Part 31);
- The cost proposal does not include any costs which are expressly unallowable under the cost principles of 48 CFR Part 31;
- The accounting treatment and billing of prevailing wage delta costs are consistent with our prevailing wage policy as either direct labor, indirect costs, or other direct costs on all federally-funded A&E Consultant Contracts.
- All known material transactions or events that have occurred subsequent to year-end affecting the consultant's ownership, organization, and indirect cost rates have been disclosed as of the date of this certification.

I am providing the required and applicable documents as instructed on Exhibit 10-A.

Financial Management System:

Our labor charging, job costing, and accounting systems meet the standards for financial reporting, accounting records, and internal control adequate to demonstrate that costs claimed have been incurred, appropriately accounted for, are allocable to the contract, and comply with the federal requirements as set forth in [Title 23 United States Code \(U.S.C.\) Section 112\(b\)\(2\)](#); [48 CFR Part 31.201-2\(d\)](#); [23 CFR, Chapter 1, Part 172.11\(a\)\(2\)](#); and all applicable state and federal rules and regulations.

Our financial management system has the following attributes:

- Account numbers identifying allowable direct, indirect, and unallowable cost accounts;
- Ability to accumulate and segregate allowable direct, indirect, and unallowable costs into separate cost

accounts;

- Ability to accumulate and segregate allowable direct costs by project, contract and type of cost;
- Internal controls to maintain integrity of financial management system;
- Ability to account and record costs consistently and to ensure costs billed are in compliance with FAR;
- Ability to ensure and demonstrate costs billed reconcile to general ledgers and job costing system; and
- Ability to ensure costs are in compliance with contract terms and federal and state requirement

Cost Reimbursements on Contracts:

I also understand that failure to comply with 48 CFR Part 16.301-3 or knowingly charge unallowable costs to Federal-Aid Highway Program (FAHP) contracts may result in possible penalties and sanctions as provided by the following:

- Sanctions and Penalties - [23 CFR Part 172.11\(c\)\(4\)](#)
- False Claims Act - [Title 31 U.S.C. Sections 3729-3733](#)
- Statements or entries generally - [Title 18 U.S.C. Section 1001](#)
- Major Fraud Act - [Title 18 U.S.C. Section 1031](#)

All A&E Contract Information:

- Total participation amount \$ _____ on all State and FAHP contracts for Architectural & Engineering services that the consultant received in the last three fiscal periods.
- The number of states in which the consultant does business is _____.
- Years of consultant’s experience with 48 CFR Part 31 is _____.
- Audit history of the consultant’s current and prior years (if applicable)
 - Cognizant ICR Audit Local Gov’t ICR Audit Caltrans ICR Audit
 - CPA ICR Audit Federal Gov’t ICR Audit

I, the undersigned, certify all of the above to the best of my knowledge and belief and that I have reviewed the Indirect Cost Rate Schedule to determine that any costs which are expressly unallowable under the Federal cost principles have been removed and comply with [Title 23 U.S.C. Section 112\(b\)\(2\)](#), [48 CFR Part 31](#), [23 CFR Part 172](#), and all applicable state and federal rules and regulations. I also certify that I understand that all documentation of compliance must be retained by the consultant. I hereby acknowledge that costs that are noncompliant with the federal and state requirements are not eligible for reimbursement and must be returned to Caltrans.

Name**: _____ Title**: _____

Signature: _____ Date of Certification (mm/dd/yyyy): _____

Email**: _____ Phone Number**: _____

**An individual executive or financial officer of the consultant’s or subconsultant’s organization at a level no lower than a Vice President, a Chief Financial Officer, or equivalent, who has authority to represent the financial information used to establish the indirect cost rate.

Note: ***Both prime and subconsultants as parties of a contract must complete their own Exhibit 10-K forms. Caltrans will not process local agency’s invoices until a complete Exhibit 10-K form is accepted and approved by Caltrans Audits and Investigations.***

- Distribution:**
- 1) Original - Local Agency Project File
 - 2) Copy - Consultant
 - 3) Copy - Caltrans Audits and Investigations