

# ACEC / NCDOT Project Delivery Subcommittee Notes

February 1, 2024

- The meeting minutes from the last meeting (November 2, 2023) were approved.

## Legislative Update:

- Legislative - NCDOT's Agency Bill is expected to move forward in the Short Session this spring/early summer. Three key items in the Bill are:
  - Accepting payment for certain types of encroachments.
  - Authority for NCDOT to award Progressive Design Build contracts.
  - Increasing the cap of CMGC projects allowed.

## Staff Changes:

- Kristin Barnes replaces Kevin Lacy as the Director of Strategic Planning & Programming (Kevin retired effective 1/1/24)

## Technical Services Update:

### New RS-2 Form:

- NCDOT has established a Professional Services Contracts Workgroup. This workgroup is comprised of division and central representatives and is tasked with addressing many topics related to the major limited services contracts (Eastern, Western and Central PMU) and how we can have consistent contracts.
- You may see some contract updates with the Western advertisement in March. One area that the workgroup addressed was to update the current RS-2 form for submittal at LOI and with each task order. The form is intended to make it easier to determine what firm will be doing the work based on the discipline codes, explain if there are more than 2 firms on a discipline, and have values for each code that are listed in percentage values for the entire project.
- It is important to identify primes and subs at the contract level.
- Derrick Weaver sent the updated RS-2 form to Steve Smallwood on 1.26.24 to be distributed to the ACEC Project Delivery Subcommittee.
- The background behind this new RS-2 form: There were many recent situations with subs approaching NCDOT because they were not being given work by their primes on contracts.
  - What's not always known by the prime is the level of commitment by that prime to the sub.
  - The new RS-2 form setup will allow you to determine the general utilization of the different firms (25%, 75%, etc.) of the work broken up by prequalification discipline.
  - Signatures at bottom of form where subs can all sign off on it.
  - It will help DOT with making selections by better understanding who will be doing what work (improved transparency).
  - Must explain yourself at bottom if using more than 2 subs per code.
  - You can add additional codes as needed at the bottom. You can add subs as well.
- Question: Will it change how these are entered into the system?
  - Answer: It will. It will make it so that it's 100% utilization per line item as opposed to contract.
- Question: What does RS-2 stand for? Should we change the name?
  - [No one in the meeting immediately knew what RS-2 stood for]

- It has not yet been determined how the numbers out of this new setup/system will be reported to the Board of Transportation's meeting agenda.
  - It's not tracking individual contractor payments. It's about tracking overall consultant utilization.
  - It is now actual utilization vs anticipated utilization.
- NCDOT wants to see a consultant's "A" team.
  - Want to see who you propose to get the work done and provide for successful delivery.
- The timeline is in the next couple of weeks. Will be in place prior to Western On-call.
- Other items under discussion are what major work codes may need to be added to the Western Contracts, how many teams should be selected based on the size of our program over the next 2-3 years, and when to do project specific advertisements so we get the right team for the right job. We will also be tying in, strongly, team evaluations when doing team selection and in project assignments. More to come.

#### Cost Estimating Process:

- As STIP costs continue to increase, as many estimates were completed 2 years ago before the heavy cost inflation, Matt Clarke was asked by Chris Peoples to do a thorough investigation of our cost estimates. Currently, the Contract Standards & Development Unit (CS&D) is looking at projects in the past 12 months where there is a significant difference between the last verified cost and the construction estimate. The Roadway Design Unit is acting as a 3rd party review/QA for projects over \$25M.
- CS&D is also developing a database that is similar to bid averages online, but more refined. The data is being used to compare similar projects that are coming through express designs to see how accurate the estimates are. Remember that we are still using today's dollars, which may be more or less when the project lets. The goal is to ensure that the express design estimates are in the ballpark. This will assist us with being able to have more confidence in the STIP, so it is not over or under programmed.
- In February, as CS&D reviews the Express Design estimates, a handful of projects will be selected to look at the estimate and see if it is a viable estimate with the divisions knowing the region/area and Traffic Control. This will help test the confidence of the estimates.
- An important item is looking into example projects. The charge: It is important to ensure that design quantities are accurate.

#### Temporary Hydro Design on Traffic Control Plans:

- In some instances, temporary drainage is not being addressed. We are talking about the hard structure drainage. If adding pavement on low side of super, and we are maintaining traffic, somehow that water has to get out of there. Stay tuned as we work to develop guidance on this. In the meantime, please be looking to ensure this is considered in your active ongoing projects.
  - Question: Will we likely have another set of plans come from this?
    - Answer: Likely won't need another set of plans. We could show them on the MOT plans, but a lot of times we would show them on roadway plans and then show them as pipe and note to remove the pipe. Do foresee it on MOT plans or the roadway plans.
  - Question: Are contractors not realizing this on the plans and are they not implementing it?
    - Answer: The issue is that there are a lot of designers who are not addressing this. This is about raising awareness to all designers to do this.

- Question: Will this show up in the design manual? Will there be something that helps dictate and guide this decision point?
  - Answer: Don't think so. If the contractor makes changes, then that's on him. But if we don't address it as designers, then that's on us. A manual won't tell us how that gets done. It'll be on a project-by-project basis.
- Question: Could we add this as a checklist to the CFI plans to show there is some measure of this being addressed?
  - Answer: Good idea. NCDOT will dig into it more. Is it traffic's issue of responsibility or construction's responsibility?
  - You will have the opportunity to weigh-in in the future.

#### Feedback/NCDOT Forum:

- Question: Did you talk about the email we will be sending to ACEC/NC Member Firms to seek feedback (next week) and that NCDOT will host a forum in the next 1-2 weeks to have some more dialogue?
  - Answer 1: Mike Holder and Radha Swayampakala talked to Matt Clarke and Glenda Gibson yesterday. There will be more opportunities to provide feedback.
  - Answer 2: As we receive input from firms, we want to be ready to share this and fully explain this new way of gathering information on subs before advertisements (esp. the for the western one). Want people to know how this will be helpful for NCDOT. We will be getting something out to people next week.
    - NCDOT would like the feedback on the form. It is not up for debate about whether we are going to change the form because we need better transparency to make better selections.

#### **Project Management Updates:**

- Invoice Tips for PEF Firms: PMU has done training for PMs to understand what helps and to ask for suggestions. This is based on an 8/10/23 memo from Toddy Honeycutt, the Accounts Payable Manager.
- The slides from Jennifer Evans' presentation will be provided with the meeting minutes.

#### **Roadway Design Update:**

- The NCDOT Roadway Design Manual has had updates most recently published in November 2023.
- One of the things changing soon is a small blurb on design exceptions. It's about where it gets signed, especially for signatures of bridge projects that go to SMU. We need to ensure that it matches the form letter.
- ORD training modules are about to start or are already under development.
- **Non-CA** Lighting: Group with TMSD, but also Greg Hall and VHB, who have been developing research and development on what non-CA lighting looks like. Tool to determine where we go from there. Next step will be to figure out how we apply that.
- Submittal Guidelines: We are hoping to get that out in the next month or so.
- Staffing Changes: Vasim Barodawala has transitioned from the Roadway Design Unit to a new role as the supervisor of the newly formed Integration CADD Team.
- The Roadway Design Unit would like to use service accounts to send out updates.

#### **Professional Services Management Update:**

- The Western LSC will be advertised on March 15.

- For each firm, it's up to them as to how they want to sign off on contracts.

**Workforce Open Discussion:**

- The NC State University Engineering Career Fair is next Tuesday, 2/6/24.
- NCDOT internship opportunities will be available for both high school students and college students.
  - Key difference this year is that the students will have to pick one discipline/unit to apply for.
  - It would be good if consultants could help by passing this information along.
  - Some high schools have programs where students can complete work as an internship.

**Division Comments and Open Discussion:**

- No Updates

**Industry Comments and Open Discussion:**

- Question: There is an issue with DDRL let projects in certain situations that had been relayed to NCDOT. Had anything come out of NCDOT looking into it?
  - Answer: Refer to the new PS&E checklist. It is applicable for DDRL and anything that is centrally let.
  - Follow-up Question: At what point in the project will we know that its centrally let?
    - Answer: If it's over \$5 million, then it's an easy one. Have this conversation with your Div PMs, because if its borderline with the \$5 million cap, then they will go ahead and make it a centrally let project.
- Question: There are examples of projects that have gotten shelved for several years, but when the projects were reactivated, the contract/scope was not updated to reflect the higher rates of the staff doing the work. Are rates allowed to be updated as part of a supplemental request? Can we request an updated contract just for the rates?
  - Answer: NCDOT will take this back, have some discussion, and get back to you.
- Question: What should be done about bridge repair projects and determining when it should be SS2 vs ORD?
  - Answer: This is not a typical bridge project situation and should be discussed afterwards in the context of the project.
- Question: What should we do on a project that is 2- to 4-lane widening proposal where the P&N is not capacity driven but complete streets driven. At what point does complete streets drive the project?
  - Answer: This question is very project-specific and should be discussed afterwards in a manner that is context-sensitive to the project.
- Question: Are there DOT financial constraints coming in the future?
  - Answer: Budget authority is the constraint to always be aware of. It is how much funds we can actually authorize. It's about how we can stay underneath our budget authority. This is separate from revenue and expenditures. This is typical with the end of the fiscal year coming up.
  - Follow-up Discussion: It's about putting proper milestone schedules so that we can ensure we are scheduling projects appropriately. It's about knowing, realistically, what schedules are unrealistic and changing those now rather than later. This ties into having good cost estimates.

- Consultants can help NCDOT with the quality of the program by getting the cost estimates right.