



To: Cities, Counties, and Consultants

Date: August 29, 2006

From: Office of Local Systems

Revision No.: 02-2006

Subject: Project Development Information Packet Revision

Please note: The Project Development Information Packet (Packet) is in the process of being phased-out. Most of the detailed guidance currently contained in the Packet documents will be transferred to the new Instructional Memorandums for Local Public Agencies (I.M.s). Eventually, the Packet will be completely replaced with a new, more concise document called the "Federal-aid Project Development Guide." The Guide will summarize the Federal-aid project development process and reference the new I.M.s to provide additional details concerning specific parts of the process.

This revision notice identifies the Packet documents that have been most recently replaced and the corresponding new I.M.s that have taken their place. To view or print the new or revised documents, click on the links provided.

In all new I.M.s, references to existing Packet documents have been replaced with references to the new I.M. that has taken or will take its place. If the referenced new I.M. is not yet complete, the web page will redirect the user to the appropriate existing Packet document(s).

If you maintain a hardcopy of the Packet, and plan to continue doing so, we recommend doing either of the following:

- a) As individual Packet documents are replaced, remove the old Packet document and place the corresponding new I.M. in numeric sequence in Appendix A of your Packet binder.
- b) Wait until the Packet is completely replaced before printing a new hardcopy. Once complete, the Guide and / or the I.M.s referenced by the Guide will be available for download as a single PDF file for convenient printing.

If you have any questions concerning the phase-out of the Packet or the new I.M.s, please contact Charlie Purcell at Charlie.Purcell@dot.iowa.gov or 515-239-1532.

*** PLEASE NOTIFY ALL AFFECTED PERSONNEL OF THIS CHANGE ***

Document Title Revision Date (Section / Index No.)	Summary of Significant Revision(s)
Table of Contents 08-29-06 (Table of Contents)	The Table of Contents has been modified to show which Packet documents have been replaced and include cross-references to the corresponding new I.M.s.
Critical Path Memorandum for Project Development (General Information Section)	This document has been replaced with I.M. 3.005 , Project Development Submittal Dates and Information, dated August 29, 2006. Besides transferring the content into the new I.M. format, other substantive changes include the following: <ul style="list-style-type: none"> • Page 1, Submittal Dates, Second Paragraph: This was added to clarify the relationship between the submittal dates and the actual project schedule. • Page 1, Submittal Dates Table: A column was added to show the Federal Fiscal Year the project should be programmed in the Statewide Transportation Improvement Program (STIP) for each letting date shown. • Page 3, Preliminary Plans: A note was added as a reminder that final design activities should not begin on Federal-aid projects until after FHWA Environmental Concurrence is received. • Page 4, Final Plans, transmittal letter: If the transmittal letter requests specific contract requirements, it should also include the reasons for the request. • Page 4, Final Plans, transmittal letter: If the contract will be funded with more than one type of funds, the cover letter should specify the type and order in which the funds should be used.
Index 1 – Consultant Selection	All of the documents in this Index have been replaced with I.M. 3.305 , Federal-aid Participation in Consultant Costs, and its associated attachments, dated August 29, 2006. This I.M. provides an overview and expanded guidance for the whole Federal-aid consultant process. The attachments to this I.M. are further described below.

Document Title Revision Date (Section / Index No.)	Summary of Significant Revision(s)
Federal-aid Consultant Checklist (Index No. 1)	<p>This document has been replaced with Attachment A to I.M. 3.305, dated August 29, 2006. Besides transferring the content into the new I.M. format, other substantive changes include the following:</p> <ul style="list-style-type: none"> • Some of the general guidance formerly included in the checklist is now contained in I.M. 3.305. • Page 1, Step 5: The documentation to be provided by the LPA when requesting Iowa DOT approval to begin negotiations was clarified. • Page 2, Step 11: A statement was added to clarify that proposals containing cost information should not be considered by the LPA. • Page 4, Steps 35 and 36: A reminder was added that final design activities should not begin until FHWA Environmental Concurrence has been obtained. • Page 4, Step 40: A statement was added that the DBE Payment Information form is required, even if no DBE firms were used or no DBE goal was set. • Page 4: Step 43: This step was added to explain what happens after the final review or audit is complete.
Types of Payment Methods (Index No. 1)	<p>This document has been replaced with Attachment C to I.M. 3.305, dated August 29, 2006. Besides transferring the content into the new I.M. format, other substantive changes include the following:</p> <ul style="list-style-type: none"> • Page 2: Additional guidance for consultant cost estimates and retainage practices was added. • Page 3: The example consultant cost estimate was updated.
Guidelines for Federal-aid Consultant Agreements (Index No. 1)	<p>This document has been replaced with Attachment B to I.M. 3.305, dated August 29, 2006. Besides transferring the content into the new I.M. format, other substantive changes include the following:</p> <ul style="list-style-type: none"> • The list of contract provisions was rearranged into separate lists of required and recommended. • The required and recommended contract provisions are now cross-referenced to the appropriate section of the Sample Consultant Contract, as shown in Attachment D to I.M. 3.305. • Page 1, Required Contract Provision no. 2: This provision was added, which prohibits the consultant from beginning final design work prior to FHWA Environmental Concurrence. • Page 1, Required Contract Provision no. 7: This provision was added, which request both LPA and Iowa DOT approval for the prime consultant to use underruns associated with subconsultant contracts. • Page 2, Required Contract Provision no. 18: This provision was added, which requires that the Iowa DOT and / or the Federal Highway Administration (FHWA) have an opportunity to be involved in the review of the consultant's work.
Sample Consultant Agreement (Index No. 1)	<p>This document has been replaced with Attachment D to I.M. 3.305, dated August 29, 2006. This attachment is available in PDF or Word format.</p> <p>The Sample Consultant Contract included in this attachment is all new. It is essentially the same as the standard consultant contract the Iowa DOT uses for consultants hired by the Iowa DOT. However, some of the terminology and provisions have been modified to reflect the appropriate relationships between the LPA, Iowa DOT, and the FHWA.</p>

PROJECT DEVELOPMENT INFORMATION PACKET

for Local Public Agency Federal-Aid Projects

Please Note: The Packet is in the process of being phased-out. Most of the detailed guidance currently contained in the Packet documents will be transferred to the new Instructional Memorandums for Local Public Agencies (I.M.s). Eventually, the Packet will be completely replaced with a new, more concise document called the “Federal-aid Project Development Guide.” The Guide will summarize the Federal-aid project development process and reference the new I.M.s where appropriate to provide additional details concerning specific parts of the process.

If a Packet document has been replaced it is shown below in light grey text along with a cross-reference to the corresponding new I.M. In all new I.M.s, references to existing Packet documents have been replaced with references to the new I.M. that has taken or will take its place. If the referenced new I.M. is not yet complete, the web page will redirect the user to the appropriate existing Packet document(s).

This Table of Contents will remain in place until the Packet is completely phased-out.

TABLE OF CONTENTS

General Information	Revision Date
• Introduction (PDF)	09-02-04
• FHWA Authorization Basics (PDF).....	09-04-02
• Glossary of Terms (PDF)	09-04-02
• Project Development Timeline (PDF).....	11-01-01
• Critical Path Memorandum for Project Development (Replaced by I.M. 3.005)	N/A
• DBE Guidelines (PDF).....	03-22-05
Flow Charts	Revision Date
• Flow Chart Legend and Abbreviations (PDF).....	09-02-04
• Chart 1 – Project Development Process Overview (PDF).....	09-06-05
• Chart 2 – LPA / DOT Agreement Process (PDF)	02-24-06
• Chart 3 – Concept Statement Process (PDF).....	12-01-05
• Chart 4 – Design Exception Process (PDF)	11-01-01
• Chart 5 – Early ROW Acquisition Process (PDF)	09-02-04
• Chart 6 – Environmental Process Overview (PDF).....	09-02-04
• Chart 6A – Environmental Assessment / FONSI Process (PDF)	09-02-04
• Chart 6B – Environmental Impact Statement / ROD Process (PDF)	09-02-04
• Chart 6C – Section 106 Process (PDF)	09-02-04
• Chart 6D – Section 4(f) Process (PDF)	09-06-05
• Chart 6E – Farmland Protection Policy Act Process (PDF)	09-02-04
• Chart 7 – Preliminary Plan Process (PDF).....	11-01-01
• Chart 8 – ROW Authorization Process (PDF).....	11-01-01
• Chart 9 – Utility Relocation or Railroad Work Federal-aid Authorization Process (PDF).....	02-24-06
• Chart 10 – Check and Final Plan Process (PDF).....	11-01-01
• Chart 11 – Project Development Certification Process (PDF)	04-18-05
• Chart 12 – DOT Pre-letting Process (PDF).....	11-01-01
• Chart 13 – DOT Post-letting Process (PDF)	01-23-03
• Chart 14 – Final Detail Estimate Process (PDF).....	11-01-01
• Chart 15 – Final Voucher Process (PDF).....	11-01-01

Index No. 1 - Consultant Selection	Revision Date
(Replaced by I.M. 3.305 , Federal-aid Participation in Consultant Costs)	
• Federal-Aid Consultant Checklist (Replaced by Attachment A to I.M. 3.305)	N/A
• Types of Payment Methods (Replaced by Attachment C to I.M. 3.305)	N/A
• Guidelines for Federal-Aid Consultant Agreements (Replaced by Attachment B to I.M. 3.305).....	N/A
• Sample Consultant Agreement (Replaced by Attachment D (PDF) / (Word) to I.M. 3.305)	N/A
 Index No. 2 - In-House Engineering	Revision Date
• In-House Engineering Guidelines (PDF)	11-01-01
• Steps to Utilize Federal Aid for In-House Engineering (PDF)	11-01-01
 Index No. 3 - Force Account	Revision Date
• Force Account Construction Guidelines (PDF)	11-01-05
• Steps to Utilize Federal Aid for Force Account Construction (PDF)	11-01-05
 Index No. 4 - In-Kind Contribution	Revision Date
• In-Kind Contribution Guidelines (PDF)	09-12-03
• Steps to Utilize In-Kind Contributions (PDF)	09-12-03
• Example In-Kind Calculations (PDF)	09-12-03
 Index No. 5 - Design Criteria	Revision Date
• Application of Design Criteria (PDF)	11-01-01
• Urban Design Aids (PDF)	10-04-02
• Alternative Urban Design Guides (PDF)	10-04-02
• Urban 3R Guidelines (PDF)	10-04-02
• Design Exception Process for City Federal Aid Projects (PDF)	11-01-01
 Index No. 6 - Concept Statement and Environmental Regulations	Revision Date
• NEPA Project Classification Process (PDF)	06-16-05
• Concept Statement for Federal Aid Projects (Form 517001) (eForm XML) (Word)	Aug-05
• Concept Statement Instructions (PDF)	09-06-05
• Environmental Data Sheet (Form 517006) (eForm XML) (Word)	Aug-05
• Environmental Data Sheet Instructions (PDF)	09-06-05
• Cultural Resource Regulations (PDF)	09-02-04
• Farmland Protection Policy Act Guidelines (PDF)	11-01-01
• Farmland Conversion Impact Rating Form (Form AD-1006) (PDF)	Oct-83
 Index No. 7 - Preliminary Plans	Revision Date
• Preliminary Plan Guidelines (PDF)	02-24-06
• Preliminary Plan Checklist (PDF)	06-16-05
 Index No. 8 - Check and Final Plans	
• Check and Final Plan Guidelines (PDF)	02-24-06
• Check and Final Plan Checklist (PDF)	02-24-06
• Bridge or Structural Plan Supplementary Checklist (PDF)	12-01-05
• Storm Water Permits (PDF)	03-22-05
• Sample Pollution Prevention Plan (PDF) (Word)	12-06-02
• BIAS 2000 Information (PDF)	03-22-05
• Requirements for Preparing and Submitting Special Provisions for State and Local Projects (PDF)	01-14-03
• Project Development Certification (Form 730002) (PDF) (Word)	Feb-06
• Project Development Certification Instructions (PDF)	02-24-06
• Public Interest Findings (PDF)	04-18-05

Index No. 9 – Locally Procured Federal-aid Contracts

Revision Date

- Locally Procured Federal-aid Contract Requirements ([PDF](#))09-02-04
- Pre-Award Checklist and Certification ([PDF](#))09-02-04
- Post-Award Checklist and Certification ([PDF](#))09-02-04
- Supplemental Agreement for Locally Procured Federal-aid Contracts ([PDF](#))09-02-04
- Forms Packet* ([EXE](#))..... N/A

* These forms are not included in the Project Development Information Packet itself. However, for convenience, this self-extracting executable file is provided. It contains current versions of bid / quote documents and the construction forms used for local federal-aid contract procurement process.

Appendix A – Instructional Memorandums (I.M.)

Revision Date

- I.M. 3.131 Design and Submittal of Preliminary Bridge and Culvert Plans ([PDF](#))May-03
- I.M. 3.15 Highway Improvements in the Vicinity of Airports or Heliports ([PDF](#)) Dec-02
- I.M. 3.210 Design Criteria – New Construction or Complete Reconstruction ([PDF](#)).....May-03
- I.M. 3.213 Traffic Barriers (Guardrail and Bridge Rail) ([PDF](#)) Nov-01
- I.M. 3.214 3R Guidelines ([PDF](#))May-03
- I.M. 3.216 Economic Analysis (Benefit-to-Cost Ratio) ([PDF](#))..... Oct-01
- I.M. 3.218 Design Exception Process ([PDF](#)) Dec-02

Revision Notices

Notice Date

- Revision No. 01-2002 ([PDF](#))03-26-02
- Revision No. 02-2002 ([PDF](#))05-03-02
- Revision No. 03-2002 ([PDF](#))06-03-02
- Revision No. 04-2002 ([PDF](#))09-10-02
- Revision No. 05-2002 ([PDF](#))10-04-02
- Revision No. 06-2002 ([PDF](#))12-06-02
- Revision No. 01-2003 ([PDF](#))01-23-03
- Revision No. 02-2003 ([PDF](#))03-10-03
- Revision No. 03-2003 ([PDF](#))05-02-03
- Revision No. 04-2003 ([PDF](#))09-12-03
- Revision No. 05-2003 ([PDF](#))10-31-03
- Revision No. 01-2004 ([PDF](#))05-24-04
- Revision No. 02-2004 ([PDF](#))09-02-04
- Revision No. 01-2005 ([PDF](#))03-22-05
- Revision No. 02-2005 ([PDF](#))04-18-05
- Revision No. 03-2005 ([PDF](#))06-16-05
- Revision No. 04-2005 ([PDF](#))09-06-05
- Revision No. 05-2005 ([PDF](#))11-01-05
- Revision No. 06-2005 ([PDF](#))12-01-05
- Revision No. 01-2006 ([PDF](#))02-24-06
- Revision No. 02-2006 ([Revision Notice](#)) ([Revision Notice and all revised documents](#))08-29-06

INSTRUCTIONAL MEMORANDUMS

To Local Public Agencies



To: Counties and Cities	Date: August 29, 2006
From: Office of Local Systems	I.M. No. 3.005
Subject: Project Development Submittal Dates and Information	

Contents: This Instructional Memorandum (I.M.) lists the submittal dates for some of the major milestone events for development for Local Public Agency (LPA) projects that will be let by the Iowa Department of Transportation (Iowa DOT). It also summarizes the information that should be included with each submittal.

Submittal Dates for Local Public Agency Projects Let by the Iowa DOT

Following are submittal dates for the November 21, 2006 through October 21, 2008 Iowa DOT lettings. All submittals should be received by the Iowa DOT Administering Office on the dates shown below. However, early submittals are always encouraged.

Please note: The submittal dates shown below reflect the *minimum* amount of time required by the *Iowa DOT* to review the submittal. *These dates do not reflect the time that may be required by other agencies for the appropriate reviews and approvals.* The project schedule should be based on the specific circumstances of the project. Federal-aid projects that have significant impacts to environmental or historical resources, require large amounts of right-of-way, or involve adjustments to railroad or utility facilities, will likely require additional time to develop for letting. Therefore, in such cases, it will probably be necessary to submit the Concept Statement and Preliminary Plans earlier than the dates shown.

Concept Statement		Preliminary Plans		Check Plans		Final Plans and PDC (2 weeks)	Contracts Turn-in	Letting Date	Fiscal Year
Major (42 weeks)	Minor (16 weeks)	Major (16 weeks)	Minor (11 weeks)	Major (6 weeks)	Minor (5 weeks)				
11/15/05	05/16/06	05/16/06	06/20/06	07/25/06	08/01/06	08/22/06	09/05/06	11/21/06	2007
12/13/05	06/13/06	06/13/06	07/18/06	08/22/06	08/29/06	09/19/06	10/03/06	12/19/06	
01/17/06	07/18/06	07/18/06	08/22/06	09/26/06	10/03/06	10/24/06	11/07/06	01/17/07	
02/14/06	08/15/06	08/15/06	09/19/06	10/24/06	10/31/06	11/21/06	12/05/06	02/20/07	
03/14/06	09/12/06	09/12/06	10/17/06	11/21/06	11/28/06	12/19/06	01/02/07	03/20/07	
04/18/06	10/17/06	10/17/06	11/21/06	12/26/06	01/02/07	01/23/07	02/06/07	04/17/07	
05/16/06	11/14/06	11/14/06	12/19/06	01/23/07	01/30/07	02/20/07	03/06/07	05/15/07	
06/13/06	12/12/06	12/12/06	01/16/07	02/20/07	02/27/07	03/20/07	04/03/07	06/19/07	
07/11/06	01/09/07	01/09/07	02/13/07	03/20/07	03/27/07	04/17/07	05/01/07	07/17/07	
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02/13/07	08/14/07	08/14/07	09/18/07	10/23/07	10/30/07	11/20/07	12/04/07	02/19/08	
03/13/07	09/11/07	09/11/07	10/16/07	11/20/07	11/27/07	12/18/07	12/31/07	03/18/08	
04/17/07	10/16/07	10/16/07	11/20/07	12/26/07	01/02/08	01/22/08	02/05/08	04/15/08	
05/15/07	11/13/07	11/13/07	12/18/07	01/22/08	01/29/08	02/19/08	03/04/08	05/20/08	
06/12/07	12/11/07	12/11/07	01/15/08	02/19/08	02/26/08	03/18/08	04/01/08	06/17/08	
07/17/07	01/15/08	01/15/08	02/19/08	03/25/08	04/01/08	04/22/08	05/06/08	07/15/08	
08/14/07	02/12/08	02/12/08	03/18/08	04/22/08	04/29/08	05/20/08	06/03/08	08/19/08	
09/11/07	03/11/08	03/11/08	04/15/08	05/20/08	05/27/08	06/17/08	07/01/08	09/16/08	
10/16/07	04/15/08	04/15/08	05/20/08	06/24/08	07/01/08	07/22/08	08/05/08	10/21/08	

Notes for Submittal Dates Table:

- 1) All submittal dates are calculated from the “Contracts Turn-in” date by subtracting the number of weeks shown, except when such dates conflict with a state holiday. Dates adjusted for a holiday are shown in **bold**.
- 2) The “Final Plans and PDC” date is when the LPA shall submit final plans and the Project Development Certification (PDC) to the Administering Office.
- 3) The “Contracts Turn-in” date is the first Tuesday, 2 months prior to letting. This date is when the Administering Office will deliver final plans to the Office of Contracts.
- 4) The “Letting Date” is the third Tuesday of every month, except January, which is the Wednesday after the third Tuesday of the month.
- 5) The “Fiscal Year” is the Federal fiscal year in which a project should be programmed in the Statewide Transportation Improvement Program (STIP) for the letting dates shown. Even though October 1 is the beginning of the Federal fiscal year, projects targeting an October letting should be programmed in the previous fiscal year. This is because projects in the October letting are authorized for letting in September.

Administering Office When it occurs in this document, and elsewhere throughout the I.M.s, the term, “Administering Office,” shall refer to the Iowa DOT [Office of Systems Planning](#) for projects funded by the Transportation Enhancement, Federal Recreational Trails, Scenic Byways, Safe Routes to School, or Revitalize Iowa’s Sound Economy (RISE) programs; unless such projects are already being administered by one of the Iowa DOT District Offices. For all other projects, the term, “Administering Office,” shall refer to the appropriate Iowa DOT [District Office](#).

Major Type Projects These projects typically involve any of the following: wetlands, recreational areas, or wildlife refuges; railroad crossings; historical structures or historical districts; right-of-way or easement acquisitions; or Federal-aid for consultant work. Examples include relocating a road on new alignment, major reconstruction, a major bridge, or a historical structure. Note: All projects requiring a hydraulic or structural review should follow the schedule for “Major” type projects.

Minor Type Projects These projects typically do not involve any of the items listed above for the “Major” type projects. Examples include an asphalt resurfacing project or a bike trail surfacing project on an existing railroad bed.

Concept Statement Include the following items in a Federal-aid project “Concept Statement for Local Systems Federal-aid Projects” (Form 517001) submittal (non-Federal-aid projects do not require a Concept Statement):

- 1 transmittal letter (or e-mail, if submitted electronically). Include a description of any unique aspects of the project or other information that cannot be adequately explained on the Concept Statement form.
- 4 copies of the Concept Statement. This form is available on-line in either [Microsoft Word](#) or [eForms XML](#) format. Include a location map and any applicable environmental documents with each copy. For more information, refer to [I.M. 3.105](#), Concept Statement Instructions.
- If a design exception is required, include 1 copy of the design exception documentation. For more information, refer to [I.M. 3.218](#), Design Exception Process. If the need for a design exception cannot be determined when the Concept Statement is submitted, submit the design exception request as soon as possible, but no later than the Check Plan submittal date.
- If required by the Concept Statement, 2 copies of the Environmental Data Sheet (Form 517006). This form is available on-line in either [Microsoft Word](#) or [eForms XML](#) format. If the information required by this form is not known at the time of the Concept Statement submittal, submit the Environmental Data Sheet as soon as possible, but no later than the Preliminary Plan submittal date. For more information, refer to [I.M. 3.110](#), Environmental Data Sheet Instructions.

The Concept Statement may be submitted via e-mail, provided that all of the required documents and information are attached to the e-mail. Acceptable file formats for e-mail attachments include: Microsoft Word (*.doc), Adobe Acrobat (*.pdf), Joint Photographs Expert Group (*.jpg), Graphic Interchange Format (*.gif), and Tag Image File Format (*.tif). If all of the required information cannot be provided in electronic format, submit hard copies as noted above.

Incomplete Concept Statement submittals will delay project reviews. All submittals shall include the Iowa DOT project number. Users of the Transportation Program Management System ([TPMS](#)) may request project numbers using this system; otherwise, contact the Administering Office to obtain a project number.

Preliminary Plans Include the following items in a Federal-aid project Preliminary Plan submittal (non-Federal-aid projects do not require preliminary plans):

- 1 transmittal letter, including the following:
 - the proposed letting date;
 - identification of all changes from the previously approved project Concept Statement, if any; and
 - whether or not a hydraulic review is being requested.
- 2 copies of the plans for all Preliminary Plan submittals.
- If the project involves a bridge or culvert that requires a hydraulic review, include 1 extra copy of the plans and 2 copies of the hydraulic review materials.
- If the project involves any work on an Interstate or Primary highway, include 3 extra copies of the plans.
- If the project involves right-of-way acquisitions or easements, include 1 extra copy of the title sheet and plan sheets that show the proposed right-of-way or easements.
- If a design exception is required but has not been previously requested, include the design exception documentation as noted in the Concept Statement section above.
- If submittal of the Environmental Data Sheet (Form 517006) is required but has not been previously submitted, include copies of this form as noted in the Concept Statement section above.
- 1 completed copy of the Preliminary Plan Checklist, included as [Attachment A](#) to I.M. 3.405, Preliminary Road Plans (use of the checklist is encouraged, but not required).

For more information on the preliminary plan requirements and hydraulic review criteria for bridge and culvert projects, refer to [I.M. 3.405](#), Preliminary Road Plans.

Please note: Design activities for Federal-aid projects may not progress past the preliminary plan stage until after FHWA Environmental Concurrence has been received.

Check Plans Include the following items in the check plan submittal:

- 1 transmittal letter, including the following information:
 - the proposed letting date;
 - identification of all changes from the previously approved project Concept Statement, if any;
 - whether or not a structural review is requested;
 - if a bridge, culvert, or grading project does not require a U.S. Army Corps of Engineers 404 permit, a statement that explains why the permit is not required;
 - if a bridge, culvert, or grading project does not require an Iowa Department of Natural Resources Floodplain Construction permit, a statement that explains why the permit is not required;
 - if the project does not disturb one or more acres of land, a statement that the National Pollutant Discharge Elimination System (NPDES) permits is not required; and
 - if a federal-aid bridge or culvert project will not use epoxy-coated reinforcing steel, a waiver request as per the Bridge or Culvert Plan Supplementary Checklist, included as [Attachment A](#) to I.M. 3.510, Check and Final Bridge or Culvert Plans.
- 2 copies of the plans for all check plan submittals.
- If the project includes any Special Provisions, include 1 hard copy and 1 electronic copy of each Special Provision. Submit the electronic copy by e-mail. Contact the Administering Office for the appropriate e-mail address.
- If the project involves a bridge or culvert that requires a structural review, include 1 extra copy of the plans and 2 copies of the structural calculations.
- If the project involves any work on an Interstate or Primary highway, include 3 extra copies of the plans and 3 extra hard copies of each Special Provision.
- If the project involves right-of-way acquisitions or easements, include 1 extra copy of the title sheet and plan sheets that show the proposed right-of-way or easements.
- If a design exception is required but has not been previously requested, include the design exception documentation as noted in the Concept Statement section above.
- 1 completed copy of the Check and Final Plan Checklist, included as [Attachment A](#) to I.M. 3.505, Check and Final Road Plans (use of the checklist is encouraged, but not required).
- If a Public Interest Finding is being requested, include justification. For more information, refer to [I.M. 3.760](#), Public Interest Findings.

Check plans should be 100% complete and incorporate all preliminary plan review comments provided by the Administering Office and any other offices that were involved in the preliminary plan review. The engineer's

signature is not needed on the Check Plan submittal. For more information on the check plan requirements refer to [I.M. 3.505](#), Check and Final Road Plans. For more information on the structural review criteria for bridge and culvert projects, refer to [I.M. 3.510](#), Check and Final Bridge or Culvert Plans.

Final Plans Include the following items in the final plan submittal:

- 1 transmittal letter, including the following information:
 - the proposed letting date;
 - if requested, any specific contract requirements (e.g., start date, number of working days, combined projects, etc.), including the reasons for the request;
 - identification of any changes, in addition to those requested by the check plan review, that have been made to the plans since the Check Plan submittal. Please be specific. It is especially important to note any changes that affect bid items or the estimate reference information. Use of highlighter to indicate the changes on the copy of the final plans is also acceptable; and
 - if multiple funding sources will be used for the contract (not counting the local match), specify the type and order in which the funds should be used.
- 1 unbound set of reproducible final plans with original signatures. Note: The signature of the certifying Engineer and / or Architect shall be in contrasting ink (blue works best).
- 1 copy of the final plans.
- 2 copies of the project cost estimate.
- 1 electronic Trns*Port bid item file produced using the BIAS 2000 software. The Trns*Port file is required for city projects and strongly encouraged for county projects with more than 6 bid items. Submit the electronic copy by e-mail. Contact the Administering Office for the appropriate email address. For more information on the BIAS 2000 program, refer to [I.M. 3.520](#), BIAS 2000 Information.
- If the project includes any Special Provisions, include 2 hard copies and 1 electronic copy of each Special Provision. Submit the electronic copy by e-mail.
- If the project involves any work on a Interstate or Primary highway, include 3 extra copies of the plans and 3 extra hard copies of each Special Provision.
- 1 Project Development Certification (PDC) (Form 730002). The PDC is available on-line in either [Microsoft Word](#) or Adobe Acrobat ([PDF](#)) format. For more information, refer to [I.M. 3.750](#), Project Development Certification Instructions.
- If a Public Interest Finding is being requested, include justification. For more information, refer to [I.M. 3.760](#), Public Interest Findings.

Final plans should incorporate all check plan comments made by the Administering Office and any other offices involved in the check plan review. For more information on the final plan requirements, refer to [I.M. 3.505](#), Check and Final Road Plans, and [I.M. 3.510](#), Check and Final Bridge or Culvert Plans.

INSTRUCTIONAL MEMORANDUMS

To Local Public Agencies



To: Counties and Cities	Date: August 29, 2006
From: Office of Local Systems	I.M. No. 3.305
Subject: Federal-aid Participation in Consultant Costs	

Contents: This Instructional Memorandum (I.M.) includes guidelines and procedures for a Local Public Agency (LPA) to select a consultant; request Iowa Department of Transportation (Iowa DOT) approval and Federal Highway Administration (FHWA) authorization for Federal participation in consultant costs; and prepare a consultant contract, including acceptable payment methods and a sample contract. This I.M. also includes the following attachments:

- [Attachment A](#) – Federal-aid Consultant Checklist
- [Attachment B](#) – Guidelines for Federal-aid Consultant Contracts
- [Attachment C](#) – Payment Methods
- [Attachment D](#) – Sample Consultant Contract (also available in [Microsoft Word](#) format)

Introduction

All consultant contracts which will be reimbursed with Federal funds shall comply with the Title 23 of the Code of Federal Regulations, Part 172 ([23 CFR 172](#)). Among other things, these regulations require consultant services to be acquired through a qualifications-based selection process. When using a qualifications-based process, price may not be considered when determining which consultant is most qualified. Price is negotiated only after the most qualified consultant has been identified.

Estimate of Consultant Costs

Prior to beginning the consultant selection process, the LPA shall prepare its own estimate of consultant costs. This estimate should include all phases of work that the consultant will be expected to perform, even if the initial agreement will not encompass all phases of work. In other words, the estimate should reflect the total anticipated cost of all services that will eventually be provided by the consultant.

The LPA should prepare a detailed estimate based on the estimated number of hours and hourly rates for each type of employee, direct expenses, and typical overhead and profit margins. However, if the LPA is unable to prepare a detailed estimate, the LPA may prepare a simplified estimate based on typical consultant fees as a percentage of the total construction costs. Typical design costs for road, bridge, and trail construction range from 8 to 10 percent of the total construction cost. Typical construction inspection services for road, bridge, and trail construction range from 12 to 15 percent of the total construction cost.

However the cost estimate is prepared, the primary responsibility for determining the reasonableness of the proposed consultant costs rests with the LPA. The purpose of the LPA's estimate is to assist in negotiating a consultant contract at a fair and reasonable cost. For estimating very complex or unusual consultant services, the Iowa DOT will provide assistance to the LPA upon request.

Consultant Selection

[Attachment A](#) – Federal-aid Consultant Checklist, outlines the steps for selecting a consultant, requesting FHWA authorization, and requesting reimbursement of consultant costs. The LPA should be careful to follow the steps outlined in this Attachment. If the selection process used does not comply with these procedures, the consultant costs may not be eligible for Federal reimbursement. In addition, the cost of any consultant work done prior to FHWA authorization will not be eligible for Federal reimbursement. Attachment A contains two different procedures for consultant selection, an abbreviated process and a full process.

Abbreviated Process:

The abbreviated process may be used if the cost of all phases of the proposed consultant work is estimated to be less than or equal to \$100,000. The abbreviated process does not require use of a selection committee, distribution of a Request for Proposal (RFP), or use of written evaluation criteria and a scoring matrix. However,

the LPA must consider at least 3 firms, all of which must be on the [Iowa DOT pre-qualified list](#), and document their selection process.

Full Process:

If the cost of all phases of the proposed consultant work is estimated to be greater than \$100,000, the full selection process shall be used. In summary, the full process includes forming a selection committee, preparation and distribution of an RFP, and evaluation of proposals received based on established criteria. When using the full selection process, consultants do not have to be prequalified with the Iowa DOT in order to be considered.

A key aspect of the full selection process is preparing a well written RFP. The Iowa DOT does not require a standard format, however, the RFP prepared by the LPA shall contain the following as a minimum:

1. A scope of services for the proposed work.
2. The evaluation criteria used and the relative weight for each factor.
 - The criteria shall **not** include a factor for DBE involvement or estimated contract cost.
 - Geographic location may be included in the evaluation criteria, unless application of this criterion would result in less than 3 qualified firms.
3. The preferred method of payment (see [Attachment C](#) – Payment Methods for acceptable methods).
4. The proposed DBE goal. If no DBE goal is proposed for contracts estimated to be greater than \$100,000, the LPA must document the reasons why no DBE goal is proposed. For guidance in setting DBE goals, refer to [I.M. 3.710](#), DBE Guidelines.
5. The deadline date for receiving proposals.

If inexperienced in preparing RFPs, the LPA may wish to review the Iowa DOT current list of RFPs for examples of typical format and content. These are available on the Iowa DOT Consultant Utilization web site, as shown on the [Open Requests for Proposals](#) page. (Note: most of the Iowa DOT consultant contracts are not Federally funded, so they do not typically include a statement about a DBE goal.)

For additional guidance in conducting the full selection process using qualifications-based procedures, refer to the [Qualifications-Based Selection: A Guide for Selecting an Architect or Engineer for Public Owners](#), published by the [American Council of Engineering Companies of Iowa](#).

Contract Negotiation

After receiving Iowa DOT approval, the LPA shall initiate negotiations with the consultant deemed to be the most qualified. The LPA shall provide the consultant with necessary information and request the consultant to submit its proposal with supporting cost and pricing data. Negotiations are intended to lead to the development of a contract mutually satisfactory to the LPA and the selected consultant. The goals of the negotiation process are to:

- Make certain that the consultant has a clear understanding of the scope of services.
- Determine that the consultant will make available the necessary personnel and facilities to accomplish the scope of services within the required time.
- Reach agreement with the consultant on the provisions of the contract, including equitable compensation for the required services and the most suitable and appropriate method of payment. This should include review of an itemized estimate of consulting fees, including tasks, estimated hours, hourly rates, and expenses (both direct and indirect, such as overhead).
- Determine, where applicable, whether the consultant can provide a design that will permit construction within established project costs.
- Verify that the project manager and the project team are the same as those in the proposal submitted to the selection committee (applicable only if the full process was used).

If a mutually satisfactory contract cannot be negotiated upon receiving a best and final offer in writing, the LPA shall formally terminate the negotiations and notify the consultant in writing. Termination of negotiations shall be made without prejudice. The substance of terminated negotiations is confidential. The LPA shall then initiate negotiations with the consultant given second preference, and this procedure shall be continued until a mutually satisfactory contract has been negotiated.

Contract Preparation

[Attachment B](#) – Guidelines for Federal-aid Consultant Contracts, provides guidance for preparing a consultant contract. The Iowa DOT requires that certain provisions be included in all contracts which will be reimbursed with Federal funds. The Iowa DOT also recommends that certain other contract provisions be included for the mutual benefit of both the LPA and the consultant. This Attachment identifies both the required and recommended contract provisions.

[Attachment C](#) – Payment Methods, outlines several types of payment options that are acceptable for consultant contracts with Federal-aid participation. Regardless of which form of agreement is used, the method of payment it employs shall conform to one of the options described in this Attachment.

[Attachment D](#) – Sample Consultant Contract, provides a model contract for the LPA and its consultant to use. This Attachment is also available in [Microsoft Word](#) format.

The Sample Consultant Contract indicates the areas that are intended for modification by using yellow highlighting. If additional modifications to the text of the Sample Consultant Contract are made, the LPA shall advise the Iowa DOT Administering Office when the draft contract is submitted for review and specifically identify those parts of the Sample Consultant Contract that have been modified. If the draft contract is prepared using Microsoft Word, use of the “Track Changes” formatting, or something similar, is strongly encouraged.

Note: The Iowa DOT strongly recommends use of the Sample Consultant Contract because it will ensure compliance with the Federal regulations and considerably reduce the time required for review by the Iowa DOT. If the Sample Consultant Contract is not used, the LPA and its consultant should review [Attachment B](#) carefully before submitting a draft contract to the Iowa DOT for review to ensure that all of the required provisions are included.

Pre-audit Procedures

If the estimated total consultant cost (including any planned supplemental agreements) is greater than \$100,000, the Administering Office will forward 1 copy of the draft contract(s) to the Office of Finance, External Audits, and request a pre-audit. If the estimated cost is less than \$100,000, a pre-audit is usually not required, unless:

- there is insufficient knowledge of the consultant's accounting system;
- there is previous unfavorable experience regarding the reliability of the consultant's accounting system;
- the contract involves procurement of new equipment or supplies for which cost experience is lacking; or
- the Iowa DOT Administering Office has concerns about any item in the proposed cost estimate.

External Audits may waive the need for a pre-audit based on its knowledge of the consultant and its past audit history. A pre-audit typically includes:

- an analysis of the consultant's cost proposal and financial records for the method of accounting in place to assure that the consultant has the ability to adequately segregate and accumulate reasonable and allowable costs to be charged against the contract; and
- an analysis of the consultant's proposed direct costing rates and indirect overhead factors to assure their propriety and eligibility for Federal reimbursement.

If there are any questions about the pre-audit procedures, the LPA or Administering Office may contact External Audits for assistance.

Contract Administration

Contract officials and monitoring by the Iowa DOT:

The LPA shall appoint one of its officials to act as the Contract Officer and be responsible for administration of the consultant contract. The Contract Officer shall not be employed by the selected consultant. An Iowa DOT Administering Office staff person shall serve as the Contract Monitor. The Contract Officer's approval and the Contract Monitor's concurrence are required on all matters regarding contract administration, including any adjustments to the contract price, approval of extra work, or execution of supplemental contracts.

Final Design Activities and the NEPA process:

The National Environmental Policy Act (NEPA) and its implementing regulations require that certain procedures be followed in the process of selecting the location of Federal-aid project. Until this process has been completed and accepted by the Iowa DOT and the FHWA, final design activities may not begin, as required by [23 CFR 771.113](#).

Environmental and related engineering studies, agency coordination, public involvement activities, and preliminary engineering work are not considered final design. Therefore, if FHWA authorization for these costs has been obtained, these activities may proceed prior to completing the NEPA process. However, work directly associated with preparation of construction documents is considered final design. For Federal-aid projects let at the Iowa DOT, work associated with preparation, review, or submittal of Check Plans or Final Plans is considered final design.

The event that marks the completion of the NEPA process depends on the type of NEPA document that is required for the project:

- For projects that are classified as a Categorical Exclusion (CE), the NEPA process is complete as of the effective date of FHWA Environmental Concurrence. This date is specified in the written notice the LPA will receive from the Iowa DOT Office of Location and Environment.
- For projects that require an Environmental Assessment (EA) or Environmental Impact Statement (EIS) document, the NEPA process is considered complete as of the date that the FHWA signs these documents, referred to respectively as a Finding of No Significant Impact (FONSI) and Record of Decision (ROD). For more information concerning the types of NEPA documentation, refer to [I.M. 3.112](#), FHWA Environmental Concurrence Process.

Reimbursements:

The LPA may request reimbursement for approved and authorized consultant costs anytime after payments have been made to the consultant. Each request for reimbursement shall include:

- 1 cover letter that identifies the project number, the type of services for which reimbursement is being requested, and the total amount claimed for reimbursement;
- 1 copy each of the prime consultant and any applicable subconsultant invoices; and
- 1 copy of the canceled check or warrant to verify that the LPA has made payment to the consultant.

Use of the sample invoice format is recommended, as shown in [Attachment D](#) - Sample Consultant Contract.

Contract Close-out

After all the consultant's work is completed, the LPA shall submit a request for final reimbursement to the Iowa DOT Administering Office. Because the final audit process can require a significant amount of time, and the final audit will need to be complete before the project as a whole can receive final Federal-aid reimbursement, the LPA should submit their request for final reimbursement of consultant work as soon as possible.

Upon receipt of a request for final reimbursement of consultant costs, the Administering Office will forward a request for a final audit or final review to the Iowa DOT Office of Finance, External Audits. Lump sum agreements do not need a final audit, but may have a final review. External Audits may waive final audit requirements on agreements less than \$100,000. Final reimbursement for lump sum agreements or hourly rate agreements under \$100,000 can be made prior to the final audit or review (reimbursement set by agreement).

If a final audit is conducted, External Audits will review all invoiced charges to assure that the charges are adequately supported and are eligible for reimbursement. After the final audit is complete, External Audits will return the audit report to the Administering Office, which in turn will pass the report on to the LPA and the consultant.

- If the audit report finds that a balance is due to the consultant, the consultant may invoice the LPA for the balance due and the LPA may request reimbursement for the additional payment. Upon receipt of such a request, the Iowa DOT will reimburse the LPA for the appropriate Federal share.
- If the audit report finds that the consultant has been overpaid, the Iowa DOT will invoice the LPA for the appropriate Federal share or deduct this amount from the balance of reimbursement that is due to the LPA for other project costs. Likewise, the LPA may request reimbursement from the consultant for the amount of overpayment.

Federal-aid Consultant Checklist

The following checklist describes the procedures and sequence of steps that a local public agency (LPA) must follow to receive Federal-aid reimbursement for consulting services. Items with an asterisk (*) are the responsibility of the LPA. The LPA is encouraged to include this checklist in their project file and use it to ensure that all the necessary steps are completed.

- * 1. The LPA prepares a scope of work and cost estimate that reflects the consultant services to be requested. If the cost estimate for consultant work is less than or equal to \$100,000 go to Step 2; if over \$100,000, go to Step 6. See the "Estimate of Consultant Costs" section of [I.M. 3.305](#) for additional guidance in preparing a cost estimate.
- * 2. The LPA obtains a list of consultants which are prequalified with the Iowa Department of Transportation (Iowa DOT) in the categories of work required. This list is available on the [Iowa DOT Consultant Utilization](#) website.
- * 3. The LPA identifies at least 3 firms from the Iowa DOT prequalified list to be considered for the desired services. If the LPA is interested in a firm not on the list, go to Step 6. The LPA also decides if a Disadvantaged Business Enterprise (DBE) goal will be set, and if so, what percentage will be targeted. For guidance in setting DBE goals, refer to [I.M. 3.710](#), DBE Guidelines.
- * 4. The LPA may hold discussions with an adequate number of prequalified firms as necessary to evaluate their ability to perform the work. Such discussions should include items such as: any changes in qualified staff, workload, willingness to meet time requirements, ability to meet the established DBE goal (if any), past performance, accounting methods, and approach to the project.
- * 5. If after discussions, the LPA feels they can negotiate an agreement with a prequalified consultant at a cost less than or equal to \$100,000, the LPA submits a request to begin negotiations to the Administering Office and proceeds to Step 21. This request shall include the following:
 - a) The proposed scope of work and estimate of consultant costs.
 - b) The names of all the pre-qualified firms considered.
 - c) The reasons why the selected consultant is considered most qualified.
 - d) An indication if the LPA has set a DBE goal, and if so, the targeted percentage of DBE participation.
- * 6. The LPA appoints a selection committee. The selection committee should have 3 to 5 members which may include LPA staff, elected officials, and at least one member with technical expertise (i.e., a licensed professional engineer or architect). The selection committee can add non-voting members to act as resources if it deems necessary.
- * 7. The LPA submits the selection committee membership and method of appointment to the Administering Office. The LPA requests authority to proceed with the consultant selection process.
- 8. If acceptable, the Administering Office approves the LPA's request to proceed with the selection process.
- * 9. The LPA prepares and submits a draft Request for Proposal (RFP), estimate of costs, and the proposed DBE goal, if any, to the Administering Office. For guidance in preparing the draft RFP, refer to the "Consultant Selection" section of [I.M. 3.305](#).
- 10. The Administering Office reviews the draft RFP, estimated consultant costs, and proposed DBE goal, if any. If these are acceptable, the Administering Office concurs and notifies the LPA. If not, the Administering Office works with the LPA to resolve any concerns.

- * 11. The LPA sends qualifications-based RFPs to three or more consultants. The LPA also sends RFPs to all Certified DBE consultants claiming experience in the categories of work to be included in the contract, as listed in the [Iowa Directory of Certified Disadvantaged Business Enterprises](#), published by the Iowa DOT Office of Contracts.

Note: The LPA may not direct the consultant to include an estimate of cost with their proposal, even if the estimated cost is to be submitted in a separate, sealed envelope. If the LPA receives a proposal that includes cost information, that proposal should not be considered.

12. Consultants prepare and submit proposals in response to the RFP. If a DBE goal has been set by the LPA, consultants must document their good faith efforts to meet the goal. This documentation should include: a list of DBE firms contacted, a list of the DBE firms that responded with a subcontract proposal, and, if the consultant does not propose to use a DBE firm that submitted a subcontract proposal, an explanation why such a DBE firm will not be used.
- * 13. The LPA selection committee evaluates proposals utilizing the evaluation criteria. When evaluating the proposals, the selection committee **shall not** consider whether a consultant's proposal does or does not meet the DBE goal, if any. DBE goals should only be considered after the consultants have been ranked according to the selection criteria.
- * 14. If appropriate, the LPA selection committee conducts interviews (usually with no more than the top three firms). The LPA then applies the evaluation criteria, and finalizes the ranking in order of preference. The selection committee also documents its decision-making process.
- * 15. If a DBE goal was set for the contract, the LPA reviews the documentation provided with the consultant's proposal to verify the consultant's good faith effort to meet the DBE goal. If, in the opinion of the LPA, the consultant made a good faith effort, or if no DBE goal was set for the contract, proceed to Step 20. For guidance in evaluating good faith efforts, refer to [I.M. 3.710](#), DBE Guidelines.
- * 16. If, in the opinion of the LPA, the consultant **did not** make a good faith effort to achieve the DBE goal, the LPA notifies the consultant that a contract cannot be awarded due to the consultant's lack of a good faith effort.

The consultant may appeal the LPA's decision by submitting a written request for an administrative reconsideration. If an appeal is made, proceed to the next step. If no appeal is sought, the LPA goes back to Step 15 and evaluates the good faith effort of the next highest ranked firm. For the guidance concerning the administrative reconsideration procedures, refer to I.M. 3.710, DBE Guidelines.

17. The consultant prepares and sends a written request for an administrative reconsideration to the Administering Office. This request should include 2 copies of the following: the RFP (if used), the consultant's proposal, and any additional justification or documentation that may support the consultant's good faith efforts to meet the DBE goal.
18. Upon receipt of the written request for an administrative reconsideration, the Administering Office forwards this request to the Office of Contracts, along with one copy of the documentation provided by the LPA and / or consultant.
19. The Office of Contracts reviews the administrative reconsideration request. If the Office of Contracts concurs with the LPA's determination, the Office of Contracts so notifies the Administering Office and provides copies to both the LPA and the consultant. The LPA goes back to Step 15 and evaluates the good faith effort of the next highest ranked firm.

If, on the other hand, the consultant's good faith effort is judged sufficient, the Office of Contracts notifies the Administering Office and provides copies to the LPA and the consultant.

- * 20. The LPA submits the consultant rankings to Administering Office and requests approval to initiate negotiations with the consultant ranked highest by the selection process.

- 21. The Administering Office reviews the LPA's request to begin negotiations with the selected consultant and the proposed DBE goal, if not already reviewed. If acceptable, the Administering Office concurs and notifies the LPA.
- * 22. The LPA informs those consultants that submitted proposals of the results of the selection process.
- * 23. The LPA begins negotiations with the selected consultant. For additional guidance on negotiation procedures, refer to the "Contract Negotiation" section of [I.M. 3.305](#). Negotiations continue until agreement is reached on these items. If agreement cannot be reached on these items, the LPA goes back to Step 3 (for contracts estimated less than \$100,000) and begins discussions with the next firm; or goes back to Step 15 (for contracts estimated at \$100,000 or more) and evaluates the good faith effort of the next highest ranking firm. This process continues until negotiations are successful.
- * 24. The LPA submits a request for FHWA authorization to the Administering Office. This request shall include the following information:
 - a) 2 copies of a draft agreement prepared by the consultant, including any subconsultant agreements, if available.
 - b) An estimate (even if only a very rough one) of the costs of all future phases of consultant contract work that are anticipated for the project. This should include costs for any additional design work and any construction inspection services that are not covered by the draft agreement.
 - c) 2 completed copies of the DBE Commitment Information ([Form 517010](#)). If submitted electronically, hard copies are not required. This form is required, even if no DBE goal was set or no DBE commitment has been made. For more information, refer to the instructions included with the form.
 - d) If a DBE goal was set, and the consultant's DBE commitment is less than the goal, include documentation that supports the consultant's good faith efforts to meet the DBE goal established for the contract. This should include the justification for the consultant's proposed DBE involvement that was submitted as part of their proposal. It also should include any additional considerations weighed by the LPA when reviewing the consultant's good faith efforts.
- 25. The Administering Office reviews the draft agreements in accordance with [Attachment B](#) to I.M. 3.305 and verifies that Form 517010 was completed correctly. If a DBE goal was set for the contract, and the consultant's proposed DBE commitment is less than the goal, the Administering Office reviews the documentation provided by the LPA concerning the consultant's good faith effort to meet the DBE goal.
- 26. If appropriate, the Administering Office shall forward 1 copy of the draft agreement(s) to the Office of Finance (External Audits) and request a pre-audit. For more information on pre-audits, refer to the "Pre-audit Procedures" section of [I.M. 3.305](#).
- 27. External Audits conducts a pre-audit (if requested) of the draft agreement(s) and forwards 3 copies of the pre-audit report to the Administering Office.
- 28. The Administering Office forwards 1 copy of the pre-audit report (if conducted) and the Administering Office's comments on the draft agreement(s) to the LPA and the consultant.
- 29. The Administering Office verifies that adequate federal funds are shown in the current fiscal year of the Statewide Transportation Improvement Program (STIP). If funds are inadequate, or if they are incorrectly programmed, the Administering Office contacts the LPA and requests them to work with the appropriate Metropolitan Planning Organization (MPO) or Regional Planning Affiliation (RPA) to revise the programming of the project's funds.
- 30. If adequate funds are available, and they are correctly programmed, the Administering Office prepares a request for FHWA authorization.
- 31. The Iowa DOT submits the authorization request to FHWA. FHWA reviews the authorization request, and if acceptable, electronically signs the request.

- * 32. The consultant and LPA modify the agreement(s) to address the Administering Office's comments and the pre-audit recommendations, if any. The LPA submits the agreement(s) to the City Council, County Board of Supervisors, County Conservation Board, or other appropriate contracting authority for approval.
- * 33. The consultant and LPA execute and forward 3 originals of the prime agreement and any subconsultant agreements to the Administering Office.
- 34. The Administering Office verifies that all comments have been addressed. If not, the Administering Office works with the LPA to resolve any remaining issues.
- 35. The Administering Office verifies that FHWA authorization has been obtained. If so, the Administering Office signs and dates the original prime agreements, notifies the LPA that FHWA authorization has been obtained, and provides a copy of the notification to the appropriate RPA or MPO. The Administering Office's notification shall contain a reminder that the consultant's final design activities shall not proceed until the NEPA process is complete. For additional information concerning this requirement, refer to the "Contract Administration" section of [I.M. 3.305](#).
- * 36. The LPA issues notice to proceed to the consultant and requests copies of executed subconsultant agreements (if not previously obtained) and forwards them to the Administering Office. The LPA shall remind the consultant that final design activities may not proceed until the NEPA process is complete.
- 37. The Administering Office sends 1 signed original authorized agreement to both the LPA and consultant; and provides 1 copy each to the Office of Finance (Project Accounting & Payables) and External Audits. The Administering Office retains one original prime agreement for their file.
- * 38. After a payment has been made to the consultant, the LPA may submit a request for reimbursement to the Administering Office. For more information on reimbursement requests, refer to the "Contract Administration" section of [I.M. 3.305](#).
- 39. The Administering Office processes the billings received from the LPA for reimbursement.
- * 40. After all work covered by the consultant agreement is complete, including any approved supplemental agreements, the LPA requests final reimbursement for the consulting services. Along with the request for final reimbursement of consulting services, the LPA shall also complete and include 2 copies of the DBE Payment Information ([Form 517011](#)). If submitted electronically, hard copies are not required. This form is required, even if no DBE goal was set or no DBE commitment has been made. For more information, refer to the instructions included with the form.
- 41. The Administering Office reviews Form 517011. If complete, the Administering Office forwards 1 copy of this form to the Office of Contracts.
- 42. Upon receipt of the LPA's request for final reimbursement for consulting services, the Administering Office requests a final audit or a final review from External Audits. For more information on final audit or final review procedures, refer to the "Contract Close-out" section of [I.M. 3.305](#).
- 43. After the final review or audit is completed, the Administering Office processes the final reimbursement for the LPA's consultant costs.

Guidelines for Federal-aid Consultant Contracts

This attachment lists both the required and recommended contract provisions for prime consultant contracts that will be reimbursed with Federal funds. For each provision, cross-references to the corresponding sections of the Sample Consultant Contract, as shown in [Attachment D](#) to I.M. 3.305, are shown in parenthesis. If the Sample Consultant Contract is not used, the required contract provisions should be copied from cross-referenced sections and inserted in the proposed contract.

A few of the required provisions for prime contracts are also required for subconsultant contracts. Such provisions are specifically identified below. However, the Iowa DOT recommends that all of the required and recommended provisions for prime consultants also be included in any subconsultant contracts.

Required Contract Provisions

The following provisions are requirements and must be included in all Federal-aid consultant contracts between a Local Public Agency (LPA) and its consultant. The proposed contract shall:

1. Clearly define the parties to the contract. (See 1.3)
2. Include a provision that prohibits beginning final design activities until after FHWA Environmental Concurrence has been obtained. For more information on this requirement, see the "Contract Administration" section of [I.M. 3.305](#). (See 1.4.3)
3. Include the name of the project for which services are being provided (See p. 1)
4. Include a general description of the services to be performed. (See 2.1.1)
5. Contain a scope of services section that specifically details each individual task to be performed and describes what each task is to accomplish. (See 2.1.1 and Attachment A – Scope of Services)
6. Clearly define the specifications for the consultant contract work, such as the quantity and format of the project deliverables. Project deliverables may include hard copies of plans, specifications, and electronic files. (See 2.1.2 and Attachment B – Specifications)
7. Include provisions that require approval of both the Owner and the Iowa DOT before the prime consultant may use cost underruns associated with subcontracts. (See 3.2)
8. Set forth the terms under which the consultants may be compensated for extra work. Extra work for which reimbursement will be requested shall be concurred in by the Owner and the Iowa DOT prior to the work beginning. (See 4.3 and Attachment C – Fees and Payments)
9. Include provisions that apply in the event that the contract is terminated or suspended. These provisions shall also be included as part of any subconsultant contracts. (See 4.6)
10. Include arbitration provisions for settling disputes regarding the contract. These provisions shall also be included as part of any subconsultant contracts. (See 4.8 and 4.9)
11. Include a clause stating that the consultant shall defend, indemnify and hold harmless the Local Public Agency (LPA), the Iowa Department of Transportation (Iowa DOT), the Federal Highway Administration (FHWA), its agencies, agents, employees and assignees from all claims and liabilities due to negligent acts, errors, or omissions of the consultant, its members, agents, stockholders or employees in connection with performance of the contract. (See 4.10)
12. Include a non-raiding clause stating that the consultant shall not engage the services of any person or persons, in the employ of the LPA, Iowa DOT, or FHWA for work covered by the contract without the written consent of the employers of such persons. (See 4.11)
13. Include a statement that the consultant agrees to comply with all federal, state and local laws and ordinances applicable to the work. (See 4.12)

14. Include provisions prohibiting subletting, assigning or transferring any portion of the contract without the written approval of the LPA and the Iowa DOT. (See 4.13)
15. Include provisions stating that the consultant warrants that he/she has not employed or retained any company or person, other than a bona fide employee working for the consultant, to solicit or secure the contract and that he/she has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift or any other consideration, contingent upon or resulting from the award or making of the contract. For breach or violation of this warranty, the LPA shall have the right to annul the contract without liability, or, in its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or counterpart fee. (See 4.14)
16. Include provisions that require a licensed engineer or architect in the State of Iowa to certify the plans and specifications. (See 4.15)
17. Contain provisions ensuring compliance with the nondiscrimination and Disadvantaged Business Enterprise requirements contained in Title 49 of the Code of Federal Regulations. These provisions shall also be included as part of any subconsultant contracts. (See 4.16)
18. Include provisions that provide for access to the consultant's records and sets forth the time of record retention as three years from the date of final payment under the Contract. These provisions shall also be included as part of any subconsultant contracts. (See 4.17)
19. Include provisions acknowledging that the consultant's work is subject to the review and approval of the Iowa DOT and FHWA (when applicable), and that both have the right to participate in conferences between the owner and the consultant. (See 4.18)
20. Include a page for signature by the contracting agency and the consultant. This page shall also include the following signature block for the Iowa DOT: (See p. 11)

Iowa Department of Transportation

Accepted for FHWA Authorization*

By _____ Date _____, _____
[name of person signing for DOT]
[title of person signing for DOT]
[name of Iowa DOT Office]

* The Iowa DOT is not a party to this agreement. However, by signing this agreement, the Iowa DOT is indicating the work proposed under this Agreement is acceptable for FHWA authorization of Federal funds.

21. Contain a section covering fees and payments to the consultant. This section shall identify the method(s) of payment (lump sum, cost plus a fixed fee, cost per unit of work, or specific rates of compensation). (See Attachment C – Fees and Payments)
22. Include a clause stating that the consultant agrees to reimburse the Owner for any overpayment determined by final audit. (See Attachment C – Fees and Payments)
23. Contain a section whereby the consultant agrees to comply with the cost principles specified by the Federal Acquisition Regulations found in [48 CFR 31](#). (See Attachment C – Fees and Payments)
24. If the contract uses a Cost Plus Fixed Fee or Fixed Overhead Rate method of compensation, attach a detailed itemized cost estimate that includes a summary of staff hours, fees, indirect costs and any subcontract costs. Any costs not eligible for Federal-aid participation should be clearly identified. (See Attachment C – Fees and Payments, Cost Plus Fixed Fee and Fixed Overhead Rate options)
25. If the contract uses a Specific Rate of Compensation or Unit Price method of compensation, attach a fee schedule that specifies the rates or unit prices that will be used. (See Attachment C – Fees and Payments, Specific Rate of Compensation and Unit Price options)

26. Include the following certifications, which are included as attachments to the Sample Consultant Contract, which is included as [Attachment D](#) to I.M. 3.305. These attachments shall also be included as part of any subconsultant contracts:
- a) Attachment D - Certification Regarding Debarment, Suspension and Other Responsibility Matters - Primary Covered Transactions
 - b) Attachment E - Certification of Consultant*
 - c) Attachment F - Certification of Owner*

* These documents certify that no firm, organization or person was retained to secure the consultant contract.

Recommended Contract Provisions

The following provisions are recommended, but not required. The proposed contract should:

- 1. Contain a definition section that identifies terms/pronouns that may be substituted for other terms/nouns. (See p. 1)
- 2. Contain a section that outlines general contract provisions and responsibilities. (See p. 1)
- 3. Set forth the time of beginning and completion of work under the contract. (See 1.4)
- 4. Include clauses that define what constitutes the entire contract. (See 2.1)
- 5. Include provisions for the ownership of documents produced. (See 4.1)
- 6. Include provisions for inspection and acceptance of the consultant's work by the Owner. (See 4.2.1, 4.4, and 4.5)
- 7. Include a clause requiring the consultant to perform such additional work as may be necessary to correct errors in the work required under the contract. The consultant should complete the additional work without undue delays and without additional cost to the owner. In addition, the consultant should be held responsible for additional costs in subsequent related construction work, resulting from errors or omissions which are a result of gross negligence or carelessness on the part of the consultant. (See 4.2.2)
- 8. Include provisions for time extensions. (See 4.7)
- 9. Include a severability clause that specifies how the validity of the contract is affected if any part(s) of the contract is ruled invalid. (See 4.19)

Payment Methods

Types of Payment Methods

Several types of payment methods are available for use in Federal-aid consultant contracts. All payment methods must be based on supportable and reasonable costs within the consultant's accounting system. A reasonable cost is one that does not exceed that which would be incurred by a prudent person in the conduct of a competitive business.

The Sample Consultant Contract, included as [Attachment D](#) to I.M. 3.305, contains a different "Attachment C – Fees and Payments" for each type of payment method described below. If the Sample Consultant Contract is not used, the language from these attachments should be used as a guide.

1. Cost Plus Fixed Fee

Using this method, the consultant is reimbursed for actual documented costs incurred and, in addition, receives a predetermined fixed fee. This method of payment is appropriate when the scope, complexity, character and duration is indeterminable at the time of negotiations, or where the work is of a nature that the contracting authority does not have experience or knowledge to permit an evaluation of the consultant's proposal on any other basis.

This method requires, as a prerequisite to equitable negotiations, that the contracting authority and consultant define as fully and completely as possible, and agree upon, the scope of services.

By definition, cost plus fixed fee includes payment of:

- a. Direct costs incurred, including:
 - Direct labor.
 - Direct non-salary costs incurred, such as the cost of materials incorporated into the contract work, travel expenses, computer charges, printing costs, expendable supplies, and payments to sub-consultants.

Direct costs should be estimated by classification/category of expense. Categories can include, but are not limited to: CADD, computer, mileage, printing, telephone, copying, meals and lodging. All direct cost categories, estimated by the consultant, need to be charged consistently to all types of contracts to be eligible for reimbursement.

- b. Indirect cost: Salary-related expenses and general overhead costs, which are calculated as percentages of direct labor. The overhead rate used should normally be estimated at the last verified rate. Under circumstances where the last verified rate is more than two years old, or where the last verified rate is not representative of the current business trend, an attempt should be made to negotiate a rate taking these circumstances into account. A three year average may be an acceptable alternative.
- c. Fixed fee: A fixed amount (fixed fee) over and above direct and indirect costs. The determination of the amount of fixed fee shall take into account the size, complexity, duration, and degree of risk involved in the work. The establishment of the fixed fee shall be project-specific. Fixed fees normally range from 6 to 15 percent of the estimated total direct and indirect costs. When determining a fixed fee, exclude travel expenses, printing costs, miscellaneous expenses, contingency, and any subconsultant fees.
- d. Contingency: An amount established to provide for reimbursement of unforeseen costs associated with the original contract items. The amount is normally 10% of direct and indirect costs, excluding any subconsultant fees. Under circumstances where the scope is not well defined, it may be appropriate to increase the amount of contingency.

Contingency is normally used to cover increases in wage rates and overhead cost and, under some circumstances, to cover a limited amount of unforeseen costs. Contingency is not to be used without the prior written approval of the contracting authority and concurrence of the Iowa Department of Transportation (DOT), unless it is for overhead increases.

2. Fixed Overhead Rate

This method is the same as the Cost Plus Fixed Fee describe above, except that the overhead rate is fixed for the duration of the contract instead of being adjusted each year.

3. Lump Sum

Using this method, the consultant undertakes to perform the services stated in the contract for an agreed amount as full compensation. This method of payment is appropriate only if the contracting authority has established the scope, complexity and duration of the work required to a degree that just compensation can be determined and evaluated by all parties at the time of negotiations. This method would be most appropriate for use on small and repetitious items of work of no more than 18 months in duration. Use of contingency on a lump sum contracts is not appropriate.

4. Specific Rates of Compensation

Using this method, the consultant is paid at an agreed and supported specific fixed hourly or daily rate for each class of employee directly engaged in the work. Such rates of pay include the consultant's estimated costs and net fee. This method of payment should be considered only for relatively minor items of work of indeterminable extent over which the contracting authority maintains control of the class of employee to be used and the extent of such use.

Direct non-salary costs may be either set forth as an element of the specific rate or may be included in the contract as independent cost items. The specific rates, so determined, should be established by the consultant and found by the contracting authority to be reasonable and proper.

5. Unit Prices

Using this method, the consultant is paid on the basis of units of work performed. A unit of work may be defined as a measurement of work, such as linear feet (meters) of borings, number of right-of-way plats, tons (megagrams) of structural steel, or pounds (kilograms) of reinforcing steel. This method is appropriate when the cost of the work per unit can be determined, in advance with reasonable accuracy, but the extent of the work is indefinite.

Estimate of Proposed Consultant Fees

For all the types of contracts listed above, the consultant shall prepare a cost estimate to support the proposed fees. This estimate shall include direct and indirect costs the firm expects to incur, contingency (if any), and the expected fixed fee. For contracts using the Cost Plus Fixed Fee and Fixed Overhead Rate payment types, a similar estimate shall be attached to and made part of the contract (referenced as Attachment H – Consultant Fee Proposal in the Sample Consultant Contract). For the contracts using the other payment types, the cost estimate does not need to be part of the contract, but shall accompany the draft contract when submitted for review by the LPA and the Iowa DOT. An example cost estimate is shown on the following page.

Retention

A consultant contract may provide that a percentage of monthly payments be withheld until final payment is made or until final audit. This amount is often referred to as "retention" or "retainage." The Iowa DOT recommends that the amount retained not exceed 3% of the amount payable.

If the LPA desires to use retention, this should be specified in the consultant contract. Situations which may warrant the use of retainage include, but are not limited to, the following:

- The LPA has no prior experience with the consultant.
- The consultant's prior contracts have included large fluctuations in overhead rates.

Example Cost Estimate

I. Direct Labor Cost

<u>Employee Classification</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Principal	15	55.50	\$ 832.50
Project Manager	200	32.15	\$ 6,430.00
Design Engineer	250	29.85	\$ 7,462.50
CADD Technician	475	22.18	\$ 10,535.50
Clerical	30	14.79	\$ 443.70
			Direct Labor Total = \$ 25,704.20

II. Payroll Burden and Overhead Costs

Indirect Cost Factor (Overhead Rate) = 170%
Total Indirect Costs = \$ 43,697.14

III. Direct Project Expenses

	<u>Quantity</u>	<u>Rate</u>	<u>Amount</u>
Copies (each) =	1500	\$ 0.25	\$ 375.00
Mileage =	600	\$ 0.45	\$ 270.00
Rental Car (days) =	6	\$ 100.00	\$ 600.00
Meals (each)=	20	\$ 12.00	\$ 240.00
Lodging (nights) =	12	\$ 85.00	\$ 1,020.00
Total Direct Expenses =			<u>\$ 2,505.00</u>

IV. Subconsultant Costs

XYZ Consultants (cost plus fixed fee) = \$ 15,000.00
Surveyors, Inc. (lump sum) = \$ 9,500.00
Geotechnical Services, LLC (unit price) = \$ 1,500.00
Total Subconsultants = \$ 26,000.00

V. Estimate Actual Costs (I + II + III + IV) \$ 97,906.34

VI. Fixed Fee - Prime Only (12% of I + II) \$ 8,328.16

VII. Contingency - Prime Only (10% of I + II + III) \$ 7,190.63

VIII. Total Estimated Cost (V + VI + VII) \$113,425.13

Example Cost Estimate Notes:

Employee Classification: Labor classifications should match those used by the consultant.

Hours: Hours should represent estimated hours by classification to complete the work.

Rate: Labor rates should represent current rates that can be verified to the payroll register.

Indirect Cost Factor (Overhead Rate), Direct Expenses, Fixed Fee, and Contingency: (refer to discussion under Cost Plus Fixed Fee payment type above)

Subconsultant Costs: Subconsultant expenses should represent total estimated cost of work to be completed by an identified subconsultant. The estimated fee for the subconsultant should include direct labor, overhead, direct expenses, fixed fee and contingency, if any. The cost estimate should identify the type of payment method that will be used for each subconsultant. The subconsultant should also submit an estimate similar to one above so the subconsultant's expenses can be reviewed in the same manner as the prime consultant's.

[Sample Consultant Contract]

[Note: The title above and header information should be removed before use. Areas intended for modification are shown with yellow highlighter.]

Iowa DOT Project No. [number]
Owner Project No. [number]

**Professional Services Agreement
for [short description services or project]**

This is an **AGREEMENT**, made as of the ____ day of _____ in the year _____;

by and **BETWEEN** the [name of Local Public Agency], identified as the **Owner** ;

[Name,
address, and
other information]

and the **Consultant** ;

[Name,
address, and
other information]

for the following Project:

The **Owner** has decided to improve [name or short description of the project] in accordance with the current Statewide Transportation Improvement Program. It has been determined that the **Owner** shall proceed with the preparation of final design, plans, specifications and estimates for the improvements, subject to the concurrence and approval of the Iowa Department of Transportation (Iowa DOT) and the Federal Highway Administration (FHWA) (when applicable).

The **Owner** desires to employ the **Consultant** to provide [preliminary survey and] engineering services in connection with the design and preparation of plans, specifications and estimates for the improvements. The **Consultant** is willing to perform such engineering work in accordance with the terms hereinafter provided and warrants that it is in compliance with Iowa statutes relating to the licensure of professional engineers.

TABLE OF CONTENTS

Article Number And Description

1 Initial Information

- 1.1 Project Parameters
- 1.2 Financial Parameters
- 1.3 Project Team
- 1.4 Time Parameters

2 Scope Of Services And Other Special Terms And Conditions

- 2.1 Enumeration of Parts of the Agreement

3 Form of Compensation

- 3.1 Method of Reimbursement
- 3.2 Subconsultant

4 Terms And Conditions

- 4.1 Ownership of Engineering Documents
- 4.2 Revision of Plans
- 4.3 Extra Work
- 4.4 Progress Meetings
- 4.5 Additional Plans
- 4.6 Termination of Agreement
- 4.7 Extension of Time
- 4.8 Mediation
- 4.9 Arbitration
- 4.10 Responsibility for Claims and Liability
- 4.11 Non-Raiding Clause
- 4.12 General Compliance with Laws
- 4.13 Subletting, Assignment or Transfer
- 4.14 Forbidding Use of Outside Agents
- 4.15 Consultant's Endorsement on Plans
- 4.16 Compliance with Title 49, Code of Federal Regulations
- 4.17 Access to Records
- 4.18 Iowa DOT and Federal Highway Administration Participation
- 4.19 Severability
- 4.20 Choice of Law and Form

Attachment A - Scope of Services

Attachment B - Specifications

Attachment C - Fees and Payments

Attachment D - Certification Regarding Debarment, Suspension, and Other Responsibility Matters

Attachment E - Certification of Consultant

Attachment F - Certification of Owner

Attachment G - Sample Invoice Form

Attachment H – Consultant Fee Proposal [if referenced by Attachment C]

ARTICLE 1 INITIAL INFORMATION

This Agreement is based on the following information and assumptions.

1.1 Project Parameters

The objective or use is:

[Identify, if appropriate, proposed use or goals and insert here]

1.2 Financial Parameters

1.2.1 The financial parameters are;

Amount of the **Owner's** budget for the **Consultant's** compensation is:

[Insert amount here]

1.2.2 Amount of the **Consultant's** budget for the subconsultants' compensation is:

[Insert amount here]

1.3 Project Team

1.3.1 The **Owner's** Designated Representative identified as the **Contract Administrator** is:

[Insert **Contract Administrator's** name here]

The **Contract Administrator** is the authorized representative, acting as liaison officer for the **Owner** for purpose of coordinating and administering the work under the Agreement. The work under this Agreement shall at all times be subject to the general supervision and direction of the **Contract Administrator** and shall be subject to the **Contract Administrator's** approval.

1.3.2 The **Consultant's** Designated Representative is:

[Insert Representative name here]

1.3.3 The subconsultants retained at the **Consultant's** expense are:

[Enter Subconsultant name(s) here]

1.4 Time Parameters

1.4.1 Date to Proceed: **Consultant** is to begin work under this Agreement upon receipt of a written notice to proceed from the Owner.

1.4.2 Preliminary design plans including type/size/location for all structures (preliminary design) [and detail elements for a design public hearing and construction right-of-way needs] shall be completed and accepted on or before [Insert date here] or [Insert days] calendar days after receiving the notice to proceed (whichever is greater).

1.4.3 The **Consultant** shall not begin final design activities until after the **Owner** has been notified by the Iowa DOT that FHWA Environmental Concurrence has been obtained. Upon receipt of such notice, the **Owner** will provide the **Consultant** notice to proceed with final design activities.

1.4.4 Final design, contract plans and specifications and estimates shall be completed and accepted on or before [Insert date here] or [Insert days] calendar days after receiving the notice to proceed with final design (whichever is greater).

ARTICLE 2 SCOPE OF SERVICES AND OTHER SPECIAL TERMS AND CONDITIONS

2.1 Enumeration of Parts of the Agreement. This Agreement, including its attachments, represents the entire and integrated agreement between the **Owner** and the **Consultant** and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by the **Owner, Consultant**, Iowa DOT, and the FHWA (if applicable). This Agreement comprises the documents listed below.

2.1.1 The work to be performed by the **Consultant** under this Agreement shall encompass and include all detail work, services, materials, equipment and supplies necessary to prepare and deliver the scope of services provided in Attachment A.

- 2.1.2 All services herein required and provided shall be in conformity with the applicable Iowa DOT Standards, Design Guides and Specifications and Title 23, Code of Federal Regulations, Part 625, as outlined in Attachment B. In addition, applicable sections of the U.S. Department of Transportation Federal Aid Policy Guide (FAPG) shall be used as a guide in preparation of plans, specifications and estimates.
- 2.1.3 Other documents as follows:
- .1 Fees and Payments – Attachment C
 - .2 Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Attachment D
 - .3 Certification of Consultant - Attachment E
 - .4 Certification of Owner - Attachment F
 - .5 Sample Invoice Form - Attachment G
 - .7 Consultant Fee Proposal - Attachment H [if referenced by Attachment C]
 - .8 [List other attachments, if applicable]

ARTICLE 3 FORM OF COMPENSATION

3.1 Method of Reimbursement

- 3.1.1 For the **Consultant's** services as described under Article 2, compensation shall be computed in accordance with the [select one: Cost Plus Fixed Fee, Lump Sum, Specific Rate of Compensation, Unit Price, or Fixed Overhead Rate] compensation method, as defined in Attachment C.

3.2 Subconsultant

- 3.2.1 The **Consultant** shall require the subconsultants (if applicable) to notify them if they at any time determine that their costs will exceed their estimated actual costs. The **Consultant** shall not allow the subconsultants to exceed their estimated actual costs without prior written approval of the **Contract Administrator**. The prime **Consultant** is cautioned that cost under-runs associated with any subconsultant's contract are not available for use by the prime **Consultant** unless the **Contract Administrator** has given prior written approval and the Iowa DOT and the FHWA (when applicable) concurs.

ARTICLE 4 TERMS AND CONDITIONS

4.1 Ownership of Engineering Documents

- 4.1.1 All sketches, tracings, plans, specifications, reports on special studies and other data prepared under this Agreement shall become the property of the **Owner** and shall be delivered to the **Contract Administrator** upon completion of the plans or termination of the services of the **Consultant**. There shall be no restriction or limitation on their future use by the **Owner**, except any use on extensions of the project or on any other project without written verification or adaptation by the **Consultant** for the specific purpose intended will be the **Owner's** sole risk and without liability or legal exposure to the **Consultant**.
- 4.1.2 The **Owner** acknowledges the **Consultant's** plans and specifications, including all documents on electronic media, as instruments of professional service. Nevertheless, the plans and specifications prepared under this Agreement shall become the property of the **Owner** upon completion of the services and payment in full of all moneys due to the **Consultant**.
- 4.1.3 The **Owner** and the **Consultant** agree that any electronic files prepared by either party shall conform to the specifications listed in Attachment B. All electronic files will be submitted to the **Owner** by the **Consultant** on CD or other mutually agreed upon medium. Any change to these specifications by either the **Owner** or the **Consultant** is subject to review and acceptance by the other party. Additional efforts by the **Consultant** made necessary by a change to the CADD software specifications shall be compensated for as Additional Services.
- 4.1.4 The **Owner** is aware that significant differences may exist between the electronic files delivered and the respective construction documents due to addenda, change orders or other revisions. In the event of a

conflict between the signed construction documents prepared by the **Consultant** and electronic files, the signed construction documents shall govern.

4.1.5 The **Owner** may reuse or make modifications to the plans and specifications, or electronic files while agreeing to take responsibility for any claims arising from any modification or unauthorized reuse of the plans and specifications.

4.2 Revision of Plans

4.2.1 Drafts of work products shall be submitted to the **Contract Administrator** by the **Consultant** for review and comment. The comments received from the **Contract Administrator** and the reviewing agencies shall be incorporated by the **Consultant** prior to submission of the final work product by the **Consultant**. Work products revised in accordance with review comments shall constitute "satisfactorily completed and accepted work". Requests for changes on work products by the **Contract Administrator** shall be in writing. In the event there are no comments from the **Contract Administrator** or reviewing agencies to be incorporated by the **Consultant** into the final work product, the **Contract Administrator** shall immediately notify the **Consultant**, in writing, that the work product shall constitute "satisfactorily completed and accepted work".

4.2.2 In the event that the work product prepared by the **Consultant** is found to be in error and revision or reworking of the work product is necessary, the **Consultant** agrees that it shall do such revisions without expense to the **Owner**, even though final payment may have been received. The **Consultant** must give immediate attention to these changes so there will be a minimum of delay during construction. The above and foregoing is not to be construed as a limitation of the **Owner's** right to seek recovery of damages for negligence on the part of the **Consultant** herein.

4.2.3 Should the **Contract Administrator** find it desirable to have previously satisfactorily completed and accepted work product or parts thereof revised, the **Consultant** shall make such revisions if requested and directed by the **Contract Administrator** in writing. This work will be paid for as provided in Article 4.3.

4.3 Extra Work

4.3.1 If the **Consultant** is of the opinion that any work it has been directed to perform is beyond the scope of this Agreement, and constitutes "Extra Work", it shall promptly notify the **Contract Administrator** in writing to that effect. In the event that the **Contract Administrator** determines that such work does constitute "Extra Work", the **Owner** will provide extra compensation to the **Consultant** upon the basis of actual costs plus a fixed fee amount, or at a negotiated lump sum. Unless written approval for "Extra Work" has been secured in advance from the **Contract Administrator**, and the Iowa DOT and the FHWA (when applicable) concurs, no claims will be allowed. However, the **Owner** shall have benefit of the service rendered.

4.4 Progress Meetings

4.4.1 From time to time as the work progresses, conferences will be held at mutually convenient locations at the request of the **Contract Administrator** to discuss details of the design and progress of the work. The **Consultant** shall prepare and present such information and studies as may be pertinent and necessary or as may be requested by the **Contract Administrator**, to enable the **Contract Administrator** to pass judgment on the features and progress of the work.

4.5 Additional Plans

4.5.1 At the request of the **Contract Administrator**, the **Consultant** shall furnish sufficient prints of plans or other data in such detail as may be required, for the purposes of review of details and for plan-in-hand and field check inspections.

4.6 Termination of Agreement

4.6.1 In the event of the death of any member or partner of the **Consultant's** firm, the surviving members shall complete the work, unless otherwise mutually agreed upon by the **Owner** and the survivors.

- 4.6.2 The right is reserved by the **Owner** to terminate this Agreement at any time upon not less than thirty (30) days' written notice to the **Consultant**.
- 4.6.3 In the event the Agreement is terminated by the **Owner** without fault on the part of the **Consultant**, the **Consultant** shall be paid for the reasonable and necessary work performed or services rendered and delivered up to the effective date or time of termination. The value of the work performed and services rendered and delivered, and the amount to be paid shall be mutually satisfactory to the **Contract Administrator** and to the **Consultant**. The **Consultant** shall be paid a portion of the fixed fee, plus actual costs. The portion of the fixed fee shall be based on the ratio of the actual costs incurred to the estimated actual costs contained in Attachment C. Actual costs to be reimbursed shall be determined by audit of such costs to the date established by the **Contract Administrator** in the termination notice, except that actual costs to be reimbursed shall not exceed the Estimated Actual costs, plus any authorized contingency.
- 4.6.4 In the event the Agreement is terminated by the **Owner** for fault on the part of the **Consultant**, the **Consultant** shall be paid only for work satisfactorily performed and delivered to the **Contract Administrator** up to the date established by the termination notice. After audit of the **Consultant's** actual costs to the date established by the **Contract Administrator** in the termination notice and after determination by the **Contract Administrator** of the amount of work satisfactorily performed, the **Contract Administrator** shall determine the amount to be paid to the **Consultant**.
- 4.6.5 The right is reserved by the **Owner** to suspend this Agreement at any time. The **Contract Administrator** may effect such suspension by giving the **Consultant** written notice, and it will be effective as of the date established in the suspension notice. Payment for the **Consultant's** services will be made by the **Owner** to the date of such suspension, in accordance with paragraph 4.6.3 above.
- 4.6.6 Should the **Owner** wish to reinstate the work after notice of suspension, such reinstatement may be accomplished by thirty (30) days' written notice within a period of one year after such suspension, unless this period is extended by written consent of the **Consultant**.
- 4.6.7 This Agreement will be considered completed when the construction of the project has progressed sufficiently to make it clear that the construction can be completed without further revisions in that work, or if the **Consultant** is released prior to such time by written notice from the **Contract Administrator**.
- 4.7 **Extension of Time**
- 4.7.1 The time for completion of each phase of this Agreement shall not be extended because of any delay attributed to the **Consultant**, but may be extended by the **Contract Administrator** in the event of a delay attributed to the **Owner** or the **Contract Administrator**, or because of unavoidable delays caused by an act of God, war, government actions, or similar causes beyond the reasonable control of the **Consultant**.
- 4.8 **Mediation**
- 4.8.1 In an effort to resolve any conflicts that arise during the design or construction of the project or following the completion of the project, the **Owner** and the **Consultant** agree that all disputes between them arising out of or relating to this Agreement shall be submitted to non-binding mediation unless the parties mutually agree otherwise. The **Owner** and the **Consultant** further agree to include a similar mediation provision in all agreements with independent contractors and **Consultants** retained for the project and to require all independent contractors and **Consultants** also to include a similar mediation provision in all agreements with subcontractors, subconsultants, suppliers or fabricators so retained, thereby providing for mediation as the primary method for dispute resolution between the parties to those agreements.
- 4.9 **Arbitration**
- 4.9.1 In the event the parties to this Agreement are unable to reach a settlement of any dispute arising out of the services under this Agreement in accordance with Paragraph 4.8, then such disputes shall be settled by binding arbitration by an arbitrator to be mutually agreed upon by the parties, and pursuant to the arbitration procedures set out in Iowa Code Chapter 679A. Any arbitration pursuant to this paragraph or mediation pursuant to Paragraph 4.8.1 shall occur in [county name] County, Iowa.

4.10 Responsibility For Claims And Liability

4.10.1 The **Consultant** shall defend, indemnify and save harmless the Owner, the Iowa Department of Transportation, the State of Iowa, its agencies, agents, employees and assignees and the Federal Government from all claims and liabilities due to design error, omission or negligent act of the **Consultant**, its members, agents, stockholders, or employees in connection with performance of this Agreement.

4.11 Non-Raiding Clause

4.11.1 The **Consultant** shall not engage the services of any person or persons, then in the employment of the **Owner**, for work covered by this Agreement without the written consent of the employer of such person.

4.12 General Compliance With Laws

4.12.1 The **Consultant** shall comply with all Federal, State and Local laws and ordinances applicable to the work.

4.13 Subletting, Assignment Or Transfer

4.13.1 Subletting, assignment, or transfer of all or part of the interest of the **Consultant** in this Agreement is prohibited unless written consent is obtained from the **Contract Administrator** and the Iowa DOT and the FHWA (when applicable) concurs.

4.14 Forbidding Use of Outside Agents

4.14.1 The **Consultant** warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the **Consultant**, to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than bona fide employees working solely for the **Consultant**, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the **Owner** shall have the right to annul the Agreement without liability, or in its discretion to deduct from the Agreement price or consideration or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, or counterpart fee.

4.15 Consultant's Endorsement On Plans

4.15.1 The **Consultant** shall endorse the completed computations prepared under this Agreement, and shall affix thereto the seal of a licensed professional engineer or architect, licensed to practice in the State of Iowa, in accordance with the current Code of Iowa.

4.16 Compliance With Title 49, Code Of Federal Regulations

4.16.1 During the performance of this Agreement, the **Consultant** and its assignees and successors in interest agree as follows:

4.16.1.1 Compliance with Regulations

4.16.1.1.1 The **Consultant** will comply with the regulations of the U.S. Department of Transportation, relative to nondiscrimination in federally assisted programs of the U.S. Department of Transportation (Title 49, Code of Federal Regulations, Part 21, hereinafter referred to as the "Regulations"), which are herein incorporated by reference and made a part of this Agreement.

4.16.1.2 Nondiscrimination

4.16.1.2.1 The **Consultant**, with regard to the work performed by it, will not discriminate on the grounds of race, religion, age, physical disability, color, sex or national origin in the selection and retention of subconsultants, including procurement of materials and leases of equipment. The **Consultant** will not participate, either directly or indirectly, in the discrimination prohibited by Section 21.5 of the

Regulations, including employment practices when the Agreement covers a program set forth in the Regulations.

4.16.1.3 Solicitation for Subconsultants, Including Procurement of Materials and Equipment

4.16.1.3.1 In all solicitations, either by competitive bidding or negotiation made by the **Consultant** for work to be performed under a subcontract, including procurement of materials or equipment, each potential subconsultant or supplier shall be notified by the **Consultant** of the **Consultant's** obligation under this contract and the regulations relative to nondiscrimination on the grounds of race, religion, age, physical disability, sex, or national origin.

4.16.1.4 Disadvantaged Business Enterprises

4.16.1.4.1 The **Consultant** or its subconsultants agree(s) to ensure that disadvantaged business enterprises (DBEs) as defined in 49 CFR Part 26 have the maximum opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with Federal funds provided under this Agreement. In this regard the **Consultant** and all of its subconsultants shall take all necessary and reasonable steps in compliance with the Iowa DOT DBE Program to ensure disadvantaged business enterprises have the maximum opportunity to compete for and perform contracts. The **Consultant** and their subconsultants shall not discriminate on the basis of race, religion, age, physical disability, color, sex or national origin in the award and performance of U.S. DOT assisted contracts. If, as a condition of assistance, the Iowa DOT has submitted to the U.S. DOT, or the **Consultant** has submitted to the Iowa DOT, and the U.S. DOT or Department has approved a disadvantaged business enterprise affirmative action program which the Iowa DOT and/or **Consultant** agrees(s) to carry out, this program(s) is incorporated into this Agreement by reference. This program shall be treated as a legal obligation and failure to carry out its terms shall be treated as a violation of this financial assistance agreement.

Upon notification to the **Consultant** of its failure to carry out the approved program, the **Owner**, the Iowa DOT, and/or the U.S. DOT shall impose sanctions, which may include termination of the Agreement or other measures that may affect the ability of the **Consultant** to obtain future U.S. DOT financial assistance. The **Consultant** or any of its subconsultants are hereby advised that failure to fully comply with the Iowa Department of Transportation's DBE Program shall constitute a breach of contract and may result in termination of this Agreement or agreement(s) by the **Owner** or such remedy as the **Owner** deems appropriate. Refer to Article 4.6 of the Agreement.

4.16.1.5 Information and Reports

4.16.1.5.1 The **Consultant** will provide all information and reports required by the regulations, orders and instructions issued pursuant thereto, and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the **Owner**, the Iowa DOT, or the FHWA, to be pertinent to ascertain compliance with regulations, orders and instructions. Where any information required of a **Consultant** is in the exclusive possession of another who fails or refuses to furnish this information, the **Consultant** shall so certify to the **Owner**, the Iowa DOT, or the FHWA, as appropriate, and shall set forth what efforts it has made to obtain information.

4.16.1.6 Sanctions for Noncompliance

4.16.1.6.1 In the event of the **Consultant's** noncompliance with the nondiscrimination provisions of this Agreement, the **Owner** shall impose such contract sanctions as it, the Iowa DOT, or the FHWA, may determine to be appropriate, including, but not limited to:

...1.6.1.1 Withholding of payments to the **Consultant** under the Agreement until the **Consultant** complies, and/or

...1.6.1.2 Cancellation, termination or suspension of the Agreement, in whole or in part.

4.16.1.7 Incorporation of Provisions

4.16.1.7.1 The **Consultant** will include the provisions of Article 4.16.1.1 through 4.16.1.6 of this Agreement in every subagreement, including procurements of materials and lease of equipment, unless exempt by the regulations, orders or instructions issued pursuant thereto. The **Consultant** will take such action

with respect to any subagreement or procurement as the **Owner**, Iowa DOT, or FHWA may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event a **Consultant** becomes involved in, or is threatened with, litigation with a subconsultant or supplier as a result of such direction, the **Consultant** may request the **Owner**, the Iowa DOT, or the United States to enter into such litigation to protect the interests of the **Owner**, the Iowa DOT, and the United States, respectively.

4.17 Access To Records

- 4.17.1** The **Consultant** is to maintain all books, documents, papers, accounting records and other evidence pertaining to this Agreement and to make such materials available at their respective offices at all reasonable times during the agreement period, and for three years from the date of final payment under the Agreement, for inspection and audit by the **Owner**, Iowa DOT, FHWA, or any authorized representatives of the Federal Government; and copies thereof shall be furnished, if requested.

4.18 Iowa DOT and Federal Highway Administration Participation

- 4.18.1** The work under this Agreement shall be contingent upon and subject to the approval of the Iowa DOT and the Federal Highway Administration (if applicable). The Iowa DOT and the Federal Highway Administration shall have the right to participate in the conferences between the **Consultant** and the **Owner** and to participate in the review or examination of the work in progress.

4.19 Severability

If any section, provision or part of this Agreement shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the Agreement as a whole or any section, provision, or part thereof not adjudged invalid or unconstitutional.

4.20 Choice of Law and Form

The laws of the State of Iowa shall govern and determine all matters arising out of or in connection with this agreement without regard to the choice of law provisions of Iowa law. In the event any proceeding of a quasi-judicial or judicial nature is commenced in connection with this agreement, the exclusive jurisdiction for the proceeding shall be brought in the [county name] County District Court for the State of Iowa, [city name], Iowa. This provision shall not be construed as waiving any immunity to suit or liability including without limitation sovereign immunity in State or Federal court, which may be available to the Owner.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their proper officials thereunto duly authorized as of the dates below indicated.

[Consultant Name]

_____ Date: _____, _____
[Name of person signing for Consultant]
[Position of person signing for Consultant]

[Local Public Agency Name]

_____ Date: _____, _____
[Name of person signing for LPA]
[Position of person signing for LPA]

Iowa Department of Transportation
Accepted for FHWA Authorization*

By: _____ Date: _____, _____
[name of person signing for DOT]
[title of person signing for DOT]
[Name of Iowa DOT Office]

* The Iowa DOT is not a party to this agreement. However, by signing this agreement, the Iowa DOT is indicating the work proposed under this Agreement is acceptable for FHWA authorization of Federal funds.

ATTACHMENT A
Scope of Services

[Insert Scope of Services, to be developed jointly by the Owner and Consultant]

ATTACHMENT B
Specifications

[Insert Specifications for project deliverables, as developed by the Owner]

**ATTACHMENT C (referenced from 3.1)
Fees and Payments - Cost Plus Fixed Fee**

3.1.1 FEES AND PAYMENTS

3.1.1.1 Fees. For full and complete compensation for all work, materials, and services furnished under the terms of this Agreement, the **Consultant** shall be paid fees in the amounts of the **Consultant's** actual cost plus applicable fixed fee amount. **Consultants'** actual costs shall include payments to any subconsultants. The estimated actual costs and fixed fee are shown below and are itemized in Attachment [H]. The nature of engineering services is such that actual costs are not completely determinate. Therefore, it is possible that the **Consultant's** actual costs may exceed those shown in Attachment [H] and as shown below. A contingency amount has been established to provide for actual costs that exceed those estimated.

Estimated Actual Costs	\$ [Insert Costs]
Fixed Fee [Prime Only]	\$ [Insert Fee]
Contingency [Prime Only]	\$ [Insert Contingency]
Maximum Amount Payable	\$ [Insert Amount]

If at any time during the work the **Consultant** determines that its actual costs will exceed the estimated actual costs, thus necessitating the use of a contingency amount, it will promptly so notify the **Contract Administrator** in writing and describe what costs are causing the overrun and the reason. The **Consultant** shall not exceed the estimated actual costs without the prior written approval of the **Contract Administrator** and concurrence of the Iowa DOT and the FHWA (when applicable). The **Owner** or the Iowa DOT may audit the **Consultant's** cost records prior to authorizing the use of a contingency amount. The **Consultant** shall establish a procedure for comparing the actual costs incurred during the performance of the work to the estimated actual costs listed above.

The purpose is to monitor these two elements and thus provide for early identification of any potential for the actual costs exceeding the estimated actual costs. If the **Consultant** exceeds the estimated actual costs for any reason (other than that covered in Section 3.1.1.2.3) before the **Contract Administrator** is notified in writing, the **Owner** will have the right, at its discretion, to deny the use of the contingency amount.

The fixed fee amount will not be changed unless there is a substantial change in scope, character, or complexity of the services covered by this Agreement or the time schedule is changed by the **Owner**. Any change in the fixed fee amount will be made by a Supplemental Agreement or Extra Work Order. The maximum amount payable under this Agreement is \$ [Insert Amount], which is the sum of the above amounts. The maximum amount payable can not be exceeded except by Supplemental Agreement or Extra Work Order if the **Consultant** establishes there is a substantial change in scope, character, or complexity of the services covered by this Agreement, the **Contract Administrator** agrees, and the Iowa DOT and FHWA (when applicable) concurs. If at any time it is determined that a maximum amount payable will be or has been exceeded, the **Consultant** shall immediately so notify the **Contract Administrator** in writing. The maximum amount payable may be increased by a Supplemental Agreement or Extra Work Order, or this Agreement will be terminated, with the **Owner** having the right, at its discretion, to terminate this Agreement without payment of the amount exceeding the maximum amount payable. The **Owner** or the Iowa DOT may audit the **Consultant's** cost records prior to making a decision whether or not to increase the maximum amount payable.

3.1.1.2 Reimbursable Costs. Reimbursable costs are the actual costs incurred by the **Consultant** which are attributable to the specific work covered by this Agreement and allowable under the provisions of Title 48, Subchapter E., Part 30 (full cost accounting standards; when applicable), section 31.105 and Subpart 31.2 of the current Federal Acquisition Regulation. These include the following:

1. Salaries of the employees for time directly chargeable to work covered by the Agreement, and salaries of principals for time they are productively engaged in work necessary to fulfill the terms of the Agreement.

2. Direct non-salary costs incurred in fulfilling the terms of this Agreement. The **Consultant** will be required to submit a detailed listing of direct non-salary costs incurred and certify that such costs are not included in overhead expense pool. These costs may include travel and subsistence, reproductions, computer charges and materials and supplies.
3. The indirect costs (salary related expenses and general overhead costs) to the extent that they are properly allowable to the work covered by this Agreement. The **Consultant** has submitted to the **Owner** the following indirect costs as percentages of direct salary costs to be used provisionally for progress payments for work accomplished during the **Consultant's** current fiscal year: Salary related expenses are [Insert Amount]% of direct salary costs and general overhead costs are [Insert Amount]% of direct salary costs. Use of updated overhead percentage rates shall be requested by the **Consultant** after the close of each fiscal year and shall be used to update previous year invoices and subsequent year as a provisional rate for invoicing in order to more accurately reflect the cost of work during the previous and subsequent years. Any actual fiscal year or fiscal year's audited or unaudited indirect costs rates known by the **Consultant** shall be used in computing the final invoice statement. All unverified overhead rates shall have a schedule of computation supporting the proposed rate attached to the final bill. Prior to final payment for work completed under this Agreement all indirect cost rates shall be audited and adjusted to actual rates through the most recently completed fiscal year during which the work was actually accomplished. In the event that the work is completed in the current fiscal year, audited indirect cost rates for the most recently completed fiscal year may be applied also to work accomplished in the current fiscal year. If these new rates cause the estimated actual costs to be exceeded, the contingency amount will be used.

3.1.1.3 Premium Overtime Pay. Premium overtime pay (pay over normal hourly pay) shall not exceed 2 percent of the total direct salary cost without written authorization.

3.1.1.4 Payments. Monthly payments shall be made based on the percentage of work completed and substantiated by monthly progress reports. The report shall indicate the direct and indirect costs associated with the work completed during the month. The **Contract Administrator** will check such progress reports and payment will be made for the direct non-salary costs and salary and indirect costs during said month, plus a portion of the fixed fee. [The **Owner** shall retain from each monthly payment (Insert Amount)% of the amount due.]* The portion of the fixed fee to be paid will be in the proportion of the actual work completed and documented on the monthly progress reports.

Upon delivery and acceptance of all work contemplated under this Agreement, the **Consultant** shall submit one complete invoice statement of costs incurred and/or amounts earned. Payment of 100% of the total cost claimed [inclusive of retainage]* will be made upon receipt and review of such claim. Final audit will determine correctness of all invoiced costs and final payment will be based upon this audit. The **Consultant** agrees to reimburse the **Owner** for possible overpayment determined by final audit.

**Insert only if retainage is applicable to the contract.*

**ATTACHMENT C (referenced from 3.1)
Fees and Payments - Lump Sum**

3.1.1 FEES AND PAYMENTS

3.1.1.1 Fees. For full and complete compensation for all work, materials, and services furnished under the terms of this Agreement, the **Consultant** shall be paid fees on a lump sum basis and payment of this amount shall be considered as full and complete compensation for all work, materials and services furnished under the terms of this Agreement. The lump sum amount shall be \$ **[Insert Amount]**. The estimated staff hours and fees are shown in this attachment.

The lump sum amount will not be changed unless there is a substantial change in the magnitude, scope, character, or complexity of the services from those covered in this Agreement. Any change in the lump sum amount will be by Supplemental Agreement.

3.1.1.2 Reimbursable Costs. Reimbursement of costs is limited to those that are allowable under the provisions of Title 48, Subchapter E, Section 31.105 and Subpart 31.2 of the current Federal Acquisition Regulation.

3.1.1.3 Premium Overtime Pay. Not applicable.

3.1.1.4 Payments. Monthly payments for work completed shall be based on the percentage of work completed and substantiated by monthly progress reports. The **Contract Administrator** will check such progress reports and payment will be made for the proportional amount of the lump sum fee. **[The Owner shall retain from each monthly payment (Insert Amount)% of the amount due.]***

Upon completion, delivery, and acceptance of all work contemplated under this Agreement, the **Consultant** shall submit one complete invoice statement for the balance of the lump sum fee. Payment of 100% of the total cost claimed **[inclusive of retainage]*** will be made upon receipt and review of such claim. The **Consultant** agrees to reimburse the **Owner** for possible overpayment determined by final audit.

****Insert only if retainage is applicable to the contract.***

**ATTACHMENT C (referenced from 3.1)
Fees and Payments - Specific Rate of Compensation**

3.1.1 FEES AND PAYMENTS

3.1.1.1 Fees. For full and complete compensation for all work, materials, and services furnished under the terms of this Agreement, the **Consultant** shall be paid fees not to exceed the maximum amount payable under this Agreement of \$ [Insert Amount].

The maximum amount payable will not be changed unless there is a substantial change in the magnitude, scope, character, or complexity of the services from those covered in this Agreement. Any change in the maximum amount payable will be by Supplemental Agreement.

The current schedule of billing rates (direct labor rate, overhead, and fixed fee) are set forth in the following rate schedule. The **Consultant** may submit for approval a revised rate schedule once during the contract period. This revision may include a revised overhead rate and revised direct labor rates. The revised rate schedule should be submitted to the **Contract Administrator** for approval. Upon the **Contract Administrator's** written approval and concurrence by the Iowa DOT and the FHWA (when applicable) it shall become a part of this Agreement.

3.1.1.2 Reimbursable Costs. The **Consultant** shall be reimbursed for direct non-salary costs, which are directly attributable and properly allocable to the work. The **Consultant** will be required to submit a detailed listing of direct non-salary costs incurred and certify that such costs are not included in the overhead expense pool. These costs may include travel and subsistence, reproductions, computer charges, and materials and supplies.

Reimbursement of costs is limited to those that are allowable under the provisions of Title 48, Subchapter E, Section 31.105 and Subpart 31.2 of the current Federal Acquisition Regulation.

3.1.1.3 Premium Overtime Pay. Not applicable.

3.1.1.4 Payments. Monthly payments for work completed shall be based on the services completed at the time of the billing and substantiated by monthly progress reports in a form that follows the specific rate schedule. The **Contract Administrator** will check such progress reports and payment will be made for the hours completed at each rate and for direct non-salary costs incurred during said month. [The Owner shall retain from each monthly payment (Insert Amount)% of the amount due.]*

Upon completion, delivery and acceptance of all work contemplated under this Agreement, the **Consultant** shall submit one complete invoice statement of costs incurred and/or amounts earned. Payment of 100% of the total cost claimed [inclusive of retainage]* will be made upon receipt and review of such claim. The **Consultant** agrees to reimburse the **Owner** for possible overpayment determined by final audit.

*Insert only if retainage is applicable to the contract.

[Attach Fee Schedule].

**ATTACHMENT C (referenced from 3.1)
Fees and Payments - Unit Price**

3.1.1 FEES AND PAYMENTS

3.1.1.1 Fees. For full and complete compensation for all work, materials, and services furnished under the terms of this Agreement, the **Consultant** shall be paid fees on a unit price basis in accordance with the following fee schedule. Maximum amount payable is the total cost of \$ **[Insert Amount]**.

The maximum amount payable will not be changed unless there is substantial change in the magnitude, scope, character, or complexity of the services from those covered in this Agreement. Any change in the maximum amount payable will be by Supplemental Agreement.

A contingency amount of \$ **[Insert Amount]** has been established for this Agreement and is included in the maximum amount payable. If needed, The **Consultant** shall submit a written request for use of the contingency to the **Contract Administrator**. Written approval by the **Contract Administrator** and concurrence by the Iowa DOT and FHWA (when applicable) are needed prior to usage of the contingency amount.

3.1.1.2 Reimbursable Costs. Reimbursement of costs is limited to those that are allowable under the provisions of Title 48, Subchapter E, Section 31.105 and Subpart 31.2 of the current Federal Acquisition Regulation.

3.1.1.3 Premium Overtime Pay. Not applicable.

3.1.1.4 Payments. Monthly payments for work completed shall be based on the services completed at the time of billing and substantiated by monthly progress reports in a form that follows unit prices in fee schedule. The **Contract Administrator** will check such progress reports and payment will be made for the unit amounts completed. **[The Owner shall retain from each monthly payment (Insert Amount)% of the amount due.]***

Upon completion, delivery and acceptance of all work contemplated under this Agreement, the **Consultant** shall submit one complete invoice statement of costs incurred and/or amounts earned. Payment of 100% of the total cost claimed **[inclusive of retainage]*** will be made upon receipt and review of such claim. The **Consultant** agrees to reimburse the **Owner** for possible overpayment determined by final audit.

***Insert only if retainage is applicable to the contract.**

[Attach Fee Schedule].

**ATTACHMENT C (referenced from 3.1)
Fees and Payments - Fixed Overhead Rate**

3.1.1 FEES AND PAYMENTS

3.1.1.1 Fees. For full and complete compensation for all work, materials, and services furnished under the terms of this Agreement, the **Consultant** shall be paid fees in the amounts of the **Consultant's** actual cost plus applicable fixed fee amount. **Consultants'** actual costs shall include payments to any subconsultants. The estimated actual costs and fixed fee are shown below and are itemized in Attachment [H]. The nature of engineering services is such that actual costs are not completely determinate. Therefore, it is possible that the **Consultant's** actual costs may exceed those shown in Attachment [H] and as shown below. A contingency amount has been established to provide for actual costs that exceed those estimated.

Estimated Actual Costs	\$ [Insert Costs]
Fixed Fee [Prime Only]	\$ [Insert Fee]
Contingency [Prime Only]	\$ [Insert Contingency]
Maximum Amount Payable	\$ [Insert Amount]

If at any time during the work the **Consultant** determines that its actual costs will exceed the estimated actual costs, thus necessitating the use of a contingency amount, it will promptly so notify the **Contract Administrator** in writing and describe what costs are causing the overrun and the reason. The **Consultant** shall not exceed the estimated actual costs without the prior written approval of the **Contract Administrator** and concurrence of the Iowa DOT and the FHWA (when applicable). The **Owner** and the Iowa DOT may audit the **Consultant's** cost records prior to authorizing the use of a contingency amount. The **Consultant** shall establish a procedure for comparing the actual costs incurred during the performance of the work to the estimated actual costs listed above.

The purpose is to monitor these two elements and thus provide for early identification of any potential for the actual costs exceeding the estimated actual costs. If the **Consultant** exceeds the estimated actual costs for any reason (other than that covered in Section 3.1.1.2.3) before the **Contract Administrator** is notified in writing, the **Owner** will have the right, at its discretion, to deny the use of the contingency amount.

The fixed fee amount will not be changed unless there is a substantial change in scope, character, or complexity of the services covered by this Agreement or the time schedule is changed by the **Owner**. Any change in the fixed fee amount will be made by a Supplemental Agreement or Extra Work Order. The maximum amount payable under this Agreement is \$ [Insert Amount], which is the sum of the above amounts. The maximum amount payable can not be exceeded except by Supplemental Agreement or Extra Work Order if the **Consultant** establishes there is a substantial change in scope, character, or complexity of the services covered by this Agreement, the **Contract Administrator** agrees, and the Iowa DOT and the FHWA (when applicable) concurs. If at any time it is determined that a maximum amount payable will be or has been exceeded, the **Consultant** shall immediately so notify the **Contract Administrator** in writing. The maximum amount payable may be increased by a Supplemental Agreement or Extra Work Order, or this Agreement will be terminated, with the **Owner** having the right, at its discretion, to terminate this Agreement without payment of the amount exceeding the maximum amount payable. The **Owner** and the Iowa DOT may audit the **Consultant's** cost records prior to making a decision whether or not to increase the maximum amount payable.

3.1.1.2 Reimbursable Costs. Reimbursable costs are the actual costs incurred by the **Consultant** which are attributable to the specific work covered by this Agreement and allowable under the provisions of Title 48, Subchapter E., Part 30 (full cost accounting standards; when applicable), 31.105 and Subpart 31.2 of the current Federal Acquisition Regulation. These include the following:

1. Salaries of the employees for time directly chargeable to work covered by the Agreement, and salaries of principals for time they are productively engaged in work necessary to fulfill the terms of the Agreement.

2. Direct non-salary costs incurred in fulfilling the terms of this Agreement. The **Consultant** will be required to submit a detailed listing of direct non-salary costs incurred and certify that such costs are not included in overhead expense pool. These costs may include travel and subsistence, reproductions, computer charges and materials and supplies.
3. The indirect costs (salary-related expenses and general overhead costs) to the extent that they are properly allowable to the work covered by this Agreement. The **Consultant** has submitted to the **Owner** the following indirect costs as percentages of direct salary costs to be used for the duration of the contract: Salary-related expenses are **[Insert %]** of direct salary costs and general overhead costs are **[Insert %]** of direct salary costs, for a composite rate of **[Insert %]**.

3.1.1.3 Premium Overtime Pay. Premium overtime pay (pay over normal hourly pay) shall not exceed 2 percent of the total direct salary cost without written authorization.

3.1.1.4 Payments. Monthly payments shall be made based on the percentage of work completed and substantiated by monthly progress reports. The report shall indicate the direct and indirect costs associated with the work completed during the month. The **Contract Administrator** will check such progress reports and payment will be made for the direct non-salary costs and salary and indirect costs during said month, plus a portion of the fixed fee. **[The Owner shall retain from each monthly payment (Insert Amount)% of the amount due.]*** The portion of the fixed fee to be paid will be in the proportion of the actual work completed and documented on the monthly progress reports.

Upon delivery and acceptance of all work contemplated under this Agreement, the **Consultant** shall submit one complete invoice statement of costs incurred and/or amounts earned. Payment of 100% of the total cost claimed **[inclusive of retainage]*** will be made upon receipt and review of such claim. Final audit will determine correctness of all invoiced costs and final payment will be based upon this audit. The **Consultant** agrees to reimburse the **Owner** for possible overpayment determined by final audit.

****Insert only if retainage is applicable to the contract.***

ATTACHMENT D
Certification Regarding Debarment, Suspension, and other Responsibility Matters
– Primary Covered Transactions

Instructions for Certification

By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.

1. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
2. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause of default.
3. The prospective primary participant shall provide immediate written notice to the department or agency to whom this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person" "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the definitions and coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
5. The prospective primary participant agrees by submitting this proposal that should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
6. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

**Certification Regarding Debarment, Suspension, and other Responsibility Matters
– Primary Covered Transactions**

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State Antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - (d) Have not within a three-year period preceding this application /proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

State of [Insert State]
[County Name] County

I [Insert Name], [Insert Title] of the [Insert Company Name] Company, being duly sworn (or under penalty of perjury under the laws of the United States and the State of Iowa) do hereby certify that the above statements are true and correct.

(signature)

Subscribed and sworn to this _____ day of _____, _____.

ATTACHMENT E
Certification of Consultant

I hereby certify that I, [Insert Name] am the [Insert Title] and duly authorized representative of the firm of [Insert Company Name], whose address is [Insert Street Address], and that neither I nor the above firm here represented has:

- (a) Employed or retained for a commission, percentage, brokerage, contingent fee, or other consideration, any firm or person (other than a bona fide employee working solely for me or the above **Consultant**) to solicit or secure this contract,
- (b) Agreed, as an express or implied condition for obtaining this contract, to employ or retain the services of any firm or person in connection with carrying out the contract, or
- (c) Paid, or agreed to pay, to any firm, organization or person (other than a bona fide employee working solely for me or the above **Consultant**) any fee, contribution, donation or consideration of any kind for, or in connection with, procuring or carrying out the contract; except as here expressly stated (if any):

I acknowledge that this certificate is to be furnished to the Iowa Department of Transportation and the Federal Highway Administration, U.S. Department of Transportation, in connection with this contract involving participation of Federal-aid highway funds, and is subject to applicable, State and Federal laws, both criminal and civil.

(signature)

Made this _____ day of _____, _____.

ATTACHMENT F
Certification of Owner

I hereby certify that I, [Insert Name], am the [Insert Title] and the duly authorized representative of the Owner, and that the above consulting firm or its representative has not been required, directly or indirectly as an express or implied condition in connection with obtaining or carrying out this contract to:

(a) Employ or retain, or agree to employ or retain, any firm or person, or

(b) Pay, or agree to pay, to any firm, person, or organization, any fee, contribution, donation, or consideration of any kind; except as here expressly stated (if any):

I acknowledge that this certificate is to be furnished the Iowa DOT and the Federal Highway Administration, U.S. Department of Transportation, in connection with this contract involving participation of Federal-aid highway funds, and is subject to applicable State and Federal laws, both criminal and civil.

(signature)

Made this _____ day of _____, _____.

ATTACHMENT G
Page 1

Consultant Name
Consultant Address
Consultant Address

Cost Plus Fixed Fee Final Invoice

Date

Invoice No.
Invoice Period Covered
Consultant Job No.

Client Project No.
County
Client Project Description
Client Contract No.

	Contract Estimate	Cumulative To Date	Current Period
--	-------------------	--------------------	----------------

Labor Dollars (2002)
Labor Dollars (2001)
Labor Dollars (2000)
Labor Dollars (1999)
Overhead (2002)
Overhead (2001)
Overhead (2000)
Overhead (1999)
Direct Expenses
 Mileage
 Per Diem
 CADD

Subconsultants (including authorized contingency)

Name
Name
Name

Subtotal
Fixed Fee
Authorized Contingency
 Total Authorized Amount
Total Billed To Date
Remaining Authorized Balance

Unauthorized Contingency
 Prime
 Subconsultant Name
 Subconsultant Name

Labor Hours (2002)
Labor Hours (2001)
Labor Hours (2000)
Labor Hours (1999)

ATTACHMENT G
Page 2

Cost Plus Fixed Fee Final Invoice Instructions

- Employee Labor Hours and Dollars: A final cumulative job cost report that shows a breakdown of labor by fiscal year, employee name, employee labor hours and employee labor rate is required. In lieu of a final job cost report, a summary of the aforementioned information is needed. The summary should be supported by monthly job cost detail.
- Overhead Rates: Overhead rates and labor dollars to which the overhead rates are applied should match the fiscal year in which the costs are incurred. Overhead rates applied to labor should be audit verified when available. When not available, proposed FAR adjusted rates for the fiscal year in which the labor is incurred should be used.
- Direct Expenses: A final cumulative job cost report that shows a breakdown of direct expenses by specific item (mileage, CADD, per diem, etc....) by fiscal year is required. Direct expense items charged should identify the number of units (miles, hours, prints, copies, feet, etc....) and the rate applied by fiscal year. In lieu of a final job cost report, a summary of the aforementioned information is needed. The summary should be supported by monthly job cost detail.
- Subconsultant: Final invoice requirements for subconsultants with cost plus fixed fee contracts are the same as the requirements for the prime consultant. It is the prime consultant's responsibility to assure such an invoice is acquired and attached to the prime's final invoice.

ATTACHMENT G
Page 3

Consultant Name
 Consultant Address
 Consultant Address

Specific Rate Final Invoice

Date

Invoice No.
 Invoice Period Covered
 Consultant Job No.

Client Project No.
 County
 Client Project Description
 Client Contract No.

	Contract Estimate	Cumulative To Date	Current Period
--	-------------------	--------------------	----------------

Labor Dollars (2002)
 Labor Dollars (2001)
 Labor Dollars (2000)
 Labor Dollars (1999)
 Direct Expenses
 Mileage
 Per Diem
 CADD

Subconsultants (including authorized contingency)
 Name
 Name
 Name

Total
 Authorized Contingency
 Total Authorized Amount
 Total Billed To Date
 Remaining Authorized Balance

Unauthorized Contingency
 Prime
 Subconsultant Name
 Subconsultant Name

Labor Hours (2002)
 Labor Hours (2001)
 Labor Hours (2000)
 Labor Hours (1999)

ATTACHMENT G
Page 4

Specific Rate Final Invoice Instructions

- Employee Labor Hours and Dollars: A final cumulative job cost report that shows a breakdown of labor by fiscal year, employee name, employee labor hours and employee labor rate is required. In lieu of a final job cost report, a summary of the aforementioned information is needed. The summary should be supported by monthly job cost detail.
- Direct Expenses: A final cumulative job cost report that shows a breakdown of direct expenses by specific item (mileage, CADD, per diem, etc....) by fiscal year is required. Direct expense items charged should identify the number of units (miles, hours, prints, copies, feet, etc....) and the rate applied by fiscal year. In lieu of a final job cost report, a summary of the aforementioned information is needed. The summary should be supported by monthly job cost detail.
- Subconsultant: Final invoice requirements for subconsultants with specific rate contracts are the same as the requirements for the prime consultant. It is the prime consultant's responsibility to assure such an invoice is acquired and attached to the prime's final invoice.

ATTACHMENT G
Page 5

Consultant Name
Consultant Address
Consultant Address

Cost Plus Fixed Free Progressive Invoice

Date

Invoice No.
Invoice Period Covered
Consultant Job No.

Client Project No.
County
Client Project Description
Client Contract No.

	Contract Estimate	Cumulative To Date	Current Period
--	-------------------	--------------------	----------------

Labor Dollars
Overhead
Overhead Adjustments
Direct Expenses
 Mileage
 Per Diem
 CADD

Subconsultants (including authorized contingency)
 Name
 Name
 Name

Subtotal
Fixed Fee
Authorized Contingency
 Total Authorized Amount
Total Billed To Date
Remaining Authorized Balance

Unauthorized Contingency
 Prime
 Subconsultant Name
 Subconsultant Name

Labor Hours

ATTACHMENT G
Page 6

Consultant Name
Consultant Address
Consultant Address

Lump Sum Invoice

Date

Invoice No.
Invoice Period Covered
Consultant Job No.

Client Project No.
County
Client Project Description
Client Contract No.

Total Lump Sum Amount
Percentage Completed
 Total
Less Amount Previously Billed
 Total Current Bill
Subconsultants
 Name
 Name
 Name
Total

Current Labor Hours
Total Labor Hours Incurred To Date
Total Estimated Labor Hours

Note: When submitting a final invoice on a lump sum project, the final cumulative job cost report should be submitted with the final invoice.

ATTACHMENT G
Page 7

Consultant Name
Consultant Address
Consultant Address

Specific Rate Progressive Invoice

Date

Invoice No.
Invoice Period Covered
Consultant Job No.

Client Project No.
County
Client Project Description
Client Contract No.

	Contract Estimate	Cumulative To Date	Current Period
--	-------------------	--------------------	----------------

Labor Dollars
Direct Expenses
 Mileage
 Per Diem
 CADD

Subconsultants (including authorized contingency)
 Name
 Name
 Name

Total
Authorized Contingency
 Total Authorized Amount
Total Billed To Date
Remaining Authorized Balance

Unauthorized Contingency
 Prime
 Subconsultant Name
 Subconsultant Name

Labor Hours