

TO: ALL COUNTY PERSONNEL
FROM: VERDENIA C. BAKER
COUNTY ADMINISTRATOR
PREPARED BY: ENGINEERING AND PUBLIC WORKS
SUBJECT: ARCHITECTURE, PROFESSIONAL ENGINEERING,
LANDSCAPE ARCHITECTURE AND REGISTERED
SURVEYING CONSULTANT CONTRACT
NEGOTIATIONS AND MULTIPLIERS
PPM #: CW-F-066

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<u>ISSUE DATE</u>	<u>EFFECTIVE DATE</u>
June 15, 2017	June 15, 2017

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PURPOSE:

To establish policies and procedures relating to contract negotiations and the billing multipliers and mark ups for architecture, professional engineering, landscape architecture, or registered surveying and mapping services provided in accordance with the Consultants' Competitive Negotiation Act (CCNA).

UPDATES:

Future updates to this PPM are the responsibility of the County Engineer.

AUTHORITY:

Florida Statutes, Chapter 287.055 (Consultants' Competitive Negotiation Act) as may be amended.

DEPARTMENT APPLICABILITY:

This PPM is applicable to Airports, Engineering & Public Works, Environmental Resources Management, Facilities Development & Operations, and Water Utilities.

DEFINITIONS:

1. Multiplier – the factor applied to the raw labor rate to obtain the calculated billing rate. The multiplier is obtained by combining the consultant’s overhead rate and operating margin (profit) and compensates the consultant for overhead, profit, contingencies, and readiness to serve.
2. Mark up – the factor applied to sub-consultant services.
3. Direct billing rate – the non-calculated rate that includes the consultant’s overhead and operating margin (profit).

POLICY:

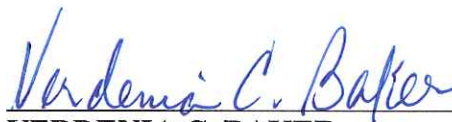
Each Department is responsible for negotiating a fair, competitive, and reasonable cost for professional services. Departments shall conduct a detailed review for the cost of the services. The review may include: the tasks necessary to complete the service, the skill set necessary to complete the tasks, the number of hours required per skill set for each task, the labor rate appropriate for each skill set, out-of-pocket expenses, and other related costs. This does not preclude the Departments from utilizing direct billing rates after a determination that the rates are fair, competitive, and reasonable. Additionally, Departments may compensate the prime consultant with a mark up fee for the procurement and management of sub-consultants per this PPM.

PROCEDURES:

The following guidelines are to be applied to establish multipliers and mark ups:

1. The maximum multiplier allowed is 3.00 unless an exception is allowed per Paragraph 3. The consultants shall be required to submit a breakdown of how their proposed multiplier is calculated along with backup documentation. Rounding to the nearest hundredth place is acceptable.
2. The prime consultant may receive up to a 10% mark up on services provided by sub-consultants when the services are to be provided by a sub-consultant that was not part of the original design team proposed to the County and the services were not required in the original scope of work.
3. Exceeding the 3.00 multiplier or mark ups higher than 10% will require additional documentation. Approval for a higher multiplier or more than 10% mark up will require recommendations from the appropriate Department, Assistant or Deputy County Administrator, with final approval by the County Administrator unless an exception is allowed per Paragraph 4.

4. Departments may use a multiplier exceeding 3.00 when required in accordance with state or federal grants or other external agency requirements.



VERDENIA C. BAKER
COUNTY ADMINISTRATOR

Supersession History:

1. PPM# CW-F-066, issued 3/12/1999
2. PPM #CW-F-066, issued January 20, 2012