Last Transportation Committee meeting was conducted on 13 Jun 19 (tele conference). Agenda for the meeting is below:

- Roll Call
- Old Business
  - BOG Meeting: 17 May 19
    - See website for full copy of the transportation committee report
  - Position Paper: Compensation (vice profit calculations)
    - ACEC working group
  - Position Paper: Performance measurement
    - ACEC working group
  - DOTD Contract: Legal review
    - Preliminary meeting:
- New Business
  - Steering Committee meeting = 31 May 19
    - Minutes attached
    - Review/discussion
- Discussion of multimodal issues/concerns
  - Ports and Marine
  - Airports/ Aviation
  - Transit/Passenger Rail
  - Freight Rail
- Open Discussion
Old Business:

Work continues on the 2 position papers. Durk Krone and Bob Boagni reported on both. We expect to be able to submit these papers to DOTD within the next 30-60 days.

Bob Boagni also reported that the LTRC study being performed by Dye Management will produce its first draft of their report in late summer. Final report is due in November. Need to ask our 2 ACEC members on that working group to provide an update.

DOTD is willing to discuss revisiting a limited review of their standard contract language. They provided feedback to Doreen on 31 May. Coordination is underway.

New Business:

Committee discussed minutes from the most recent steering committee meeting, 31 May 19. (minutes attached).

Session was dominated by issues related to indirect costs, overhead classifications, overhead audits etc. Several previously released handouts were again provided to committee members along with the meeting agenda. Basilica requested (again) feedback from the committee. Deadline is 21 June. DOTD will submit the draft audit matrix developed by their QCIP team to FHWA for review/discussion.

The DOTD is looking at the “practice” (it is really not policy), of precluding firms from inspecting jobs they design. ACEC volunteered to participate in any working group if they invite us.

DOTD continues to conduct individual meetings with firms that do traffic work. Firms are encouraged to meet to discuss their specific questions/issues.
Steering Committee Meeting:

Next meeting has not been scheduled. Will be a Friday in July.

DOTD Transportation Conference:

Doreen is requesting volunteers to help develop a panel for the transportation conference.

Next transportation committee meeting (conference call) is set for 15 Aug 19.
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<tr>
<th>Procedure</th>
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<th>Level Parameters</th>
<th>Level of Risk</th>
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Risk-based Analysis of Indirect Cost Rates

Louisiana Department of Transportation and Development
DOTD Steering Committee Meeting
May 31, 2019

Attending the meeting:

Ed Wedge
Darlene Major
Mark Chenevert
Goeff Rodriguez
Chad Winchester
Michael Gorbaty
Doreen Brasseaux
Ann Trappey
John Basilica
David Dupre
Raymond Reaux

Agenda:

1) Consultant feedback on risk-based indirect cost rate process
2) Audit article in contract
3) CJ Savoie ruling
4) Consultants performing design and CE&I on the same work
5) Traffic meetings (I heard there have been questions about this)
6) Section 17 of the 24-102 (Workload). (follow up from a question Doreen had)
7) ACEC position paper(s) update (you don’t have to give details if it is still a work in progress, but at least general topic (such as profit) and when do you think we will receive something)
8) other

***********

1) Consultant feedback on risk-based indirect cost rate process. ACECL indicated no comments received to date but will seek input again. DOTD advised the Audit Clause in contract would need to be further revised if/after federal approval of the risk-based indirect cost rate process. The process will be submitted to feds by 6.30.19.

2) Contract Audit article. DOTD stated the changes were in response to consultant requests to have the option of having only one indirect cost rate instead of having two rates established if a firm doesn’t do field work. The changes offer an option. ACECL provided feedback and DOTD responded to several of the points:
   a. Confirmed that a firm must choose one rate or two rates but cannot switch back and forth by the contract or the amendment. If a firm does field services on a regular basis and can establish a rate, they should opt for the two rates. If they don’t regularly do field office work and they seek more contracts that include field work,
DOTD will use a provisional rate until the firm can submit a CPA audited field rate. A firm will not be able to submit one rate if they are doing field work. If field work is limited to one contract, then the firm doesn’t have to permanently change to two rates. The next time a firm can change from one rate to two rates is by the fiscal year or as negotiated with DOTD.

b. DOTD is revising the language relative to ‘average of last three years of audited indirect cost rates’ to be closer to “average of three years of audited indirect cost rates within a five-year period.” If a firm has less than three years of audited rates, they will average what is available or, if only one approved rate, they will use that one. As rates are approved, the three year average adjusts accordingly.

c. DOTD referenced a DRAFT chart that lists types of services under “Home Office” and “Field Office.” GETTING COPY. ACECL is concerned about the use of the term “field work” and what that includes. In a previous communication, ACECL requested that only CE&I and embedded staff be considered as “field office.” DOTD will review the list in consideration of ACECL comments. DOTD indicated that in the advertisement they will post if a field office/work will be required. Firms can also ask in Q&A if field office/work is part of project. If firm submits a single rate (because they have no field rate) the provisional rate is utilized until the firm submits a field rate for approval.

d. DOTD stated that if a firm has a CPA audited rate pending approval at DOTD it can ask for consideration of a provisional rate as detailed in the current rule. That request must be made during the contract negotiation – prior to contract execution - because CCS would not know that a firm has a rate pending approval with Audit. While the provisional rate may be less than what the firm has submitted for approval, once the rate is approved, the firm must request the rates be adjusted based on the new approval. Once the rates are adjusted, DOTD will retroactively pay consultant the difference on a billable rates contract. DOTD acknowledged use of a provisional rate can cause a cash flow issue as firms are paid below what their ultimate approved rate may be. If a firm does NOT ask for the provisional rate but they have a rate pending approval, DOTD will use only the provisional rate and will not adjust once the pending rate is approved. That rate would take affect on the next contract. It is important that firms understand they need to discuss what rate is being used and when they have a pending audit rate.

e. CCS meets with Audit section to prioritize pending audit reviews for firms with active contracts. If the risk-based analysis of indirect cost rates receives federal approval audit reviews should speed up. Ex: firms in green category with good audits and typically have only a small deviation in submitted and approved rates may not require full review. For those in Yellow level, Audit will review only a percentage of the rate requests. Those in Red all get full review.

3) CJ Savoie: DOTD reviewed the Court of Appeals decision in the CJ Savoie case and agreed the court didn’t rule on whether Savoie was a public employee.

4) Design and CE&I work. DOTD looking into a position on whether consultants can do CE&I on projects they design. ACECL indicated local municipalities do it all the time. At some
point in the past, a decision was made by DOTD leadership to not allow same firm to do both. DOTD is checking with FHWA on their position.

5) Traffic Meetings. DOTD stated they have offered one on one meetings with traffic consultants regarding their plans and other questions they have. There will be a joint DOTD and Traffic Consultants meeting Aug. 15. ACECL thanked DOTD for emailing consultants when they made a change to their policy.

6) ID/IQ Contracts. DOTD wants consultants to understand that if a contract has not spent all of its allocation, it does not mean DOTD is just going to assign projects just because there is money left. They also will not add projects that cannot be completed by the end of the contract’s term. The amount is a MAXIMUM, not a required expenditure limit. If due to time delay on a project out of the control of the consultant and the contract term expires, DOTD will seek approval from FHWA to extend. FHWA does not want DOTD to lump projects into ID/IQ to avoid procuring each one. Projects included in an ID/IQ contract need to relate to each other (type/proximity). DOTD will be looking at bundling projects and procuring them together (not open ended but specifically listed) but not as an ID/IQ contract.

7) Section 17 of 24-102. The new form is more specific in what is required by the consultant to list. Determines workload. DOTD stated that it goes through a thorough process on a case by case basis when deciding to neutralize workload but will not make that decision transparent. An example as to why workload is neutralized is if it is ‘specialized’ and DOTD wants to make sure all qualified firms can compete without workload eliminating qualified firms.

8) ACECL updated DOTD on its two work groups: Performance and Compensation. Compensation workgroup asked to meet with Ed to ask a few general questions. Ed is considering. The Performance workgroup is closer to finalizing its paper for ACECL Transportation Committee and full board consideration before sending to DOTD.

9) DOTD Transportation Conference is in March 2020 and DOTD wants to have a session on the Steering Committee process (Phase II of ). DOTD is asking for any subjects for Darlene to cover relative to contracts.

Next meeting is tentatively scheduled for July 19 at 9:00am.
Annually, Consultant shall provide or cause to be provided to the DOTD Audit Section independent Certified Public Accountant (CPA) audited home and field indirect cost rate(s) for itself and any sub-consultants. The consultant/sub-consultant may elect to use a single combined indirect cost rate or separate home and field indirect cost rates provided that such election shall apply consistently across all affected contracts. These audited indirect cost rate(s) shall be developed in accordance with generally accepted accounting principles, using the cost principles and procedures set forth in 48 CFR 31 of the Federal Acquisition Regulations (FAR) and guidelines provided by the DOTD Audit Section. In addition, the selected consultant will allow the DOTD Audit Section to perform an indirect cost audit of its books, at DOTD’s sole discretion, and shall require the same of any sub-consultants. The performance or non-performance of such an audit by the DOTD Audit Section shall not relieve Consultant of its responsibilities under this paragraph.

If this contract provides for separate reimbursement of indirect cost expenses, prior to the commencement of work, DOTD will submit to Consultant a form, substantially in the form of Attachment C to this contract, stating the average of the last three (3) years of audited home and field indirect cost rate(s) for Consultant and any sub-consultants anticipated to be used for this contract. The home and field indirect cost rate(s), as applicable, will be the DOTD-approved audited indirect cost rate(s) for that consultant/sub-consultant until an updated form is transmitted to Consultant by DOTD.

In the event that DOTD does not have records of audited home and field indirect cost rate(s) for Consultant or any sub-consultants, provisional rate(s) will be used based on the lesser of the statewide average audited indirect cost rate associated with that type of work effort (home or field), or any company-wide audited indirect cost rate specific to that consultant/sub-consultant that has been approved by DOTD. These provisional rate(s) will be used for that consultant/sub-consultant until such time as audited home and field indirect cost rate(s) for that consultant/sub-consultant are received and approved by DOTD. In the event that DOTD has a record of an audited single combined indirect cost rate for the Consultant or any sub-consultant, and the work effort is primarily field work, the DOTD will use the attributable indirect cost rate(s) for that consultant/sub-consultant, as applicable, will be the DOTD-approved audited indirect cost rate(s) for that consultant/sub-consultant until such time as an audited indirect field cost rate(s) for that consultant/sub-consultant is received and approved by DOTD. Upon approval of such audited rate(s), DOTD shall provide Consultant with updated documentation reflecting the audited rate(s), and Consultant shall include on its next scheduled invoice any entries necessary to adjust charges for work already billed based on any differences between the provisional indirect cost rate(s) and the actual audited indirect cost rate(s), as required by 23 CFR 172. In addition, DOTD and Consultant shall enter into an amendment to this contract to revise the maximum compensation set forth herein and specific rates of compensation, to the extent such are provided herein, in light of the actual audited indirect cost rate(s) received and approved by DOTD.

In the event that a consultant/sub-consultant has audited indirect cost rate(s) for previous fiscal years on file with DOTD and has recently submitted indirect cost rate(s) to DOTD for subsequent fiscal years that have not been approved by the DOTD Audit Section prior to execution of this contract, Consultant may request the use of provisional indirect cost rate(s) for that consultant/sub-

Commented [DB1]: We are assuming that the red unedited portions and strike-throughs is the new proposed changes.

Commented [DB2]: 1) Please confirm that this provision will require that once a consultant makes the offer for a single rate or separate rates they cannot change from contract to contract or project to project even if the scope or the contract/project necessitates use of a different rate.
2) Is it the intent of DOTD that if a consultant opts for a single rate but ultimately provides field work for a project that DOTD will require a provisional rate to be used, not the single rate.
3) What does DOTD consider "primarily field work" over 50% of the work or some other determination?

Commented [DB3]: What if a firm does not have three years of audited cost rates?

Commented [DB4]: 1) Relative to the definition of "field office", will DOTD use AASHTO definition, or allow a consultant to define, or does DOTD have its own definition in mind? ACEC requests that DOTD provide written guidance to this effect.
2) Is there a difference in the terms "field office" and "field work"? ACEC requests written guidance if these are separate terms.
3) What is DOTD’s timeline for reviewing and approving submitted CPA audited rates?
consultant in preparing this contract. The provisional rate(s) will be based on the lesser of the statewide average audited indirect cost rate, any company-wide audited indirect cost rate specific to that consultant/sub-consultant that has been approved by DOTD, or any rate(s) offered to be used by Consultant. These provisional rate(s) will be used for that consultant/sub-consultant until such time as approval is received from the DOTD Audit Section for indirect cost rate proposals for that consultant/sub-consultant for all fiscal years that were pending as of the date of this contract’s execution. Upon approval of such audited rate(s), DOTD shall provide Consultant with updated documentation reflecting the audited rate(s), and Consultant shall include on its next scheduled invoice any entries necessary to adjust charges for work already billed based on any differences between the provisional indirect cost rate(s) and the actual audited indirect cost rate(s), as required by 23 CFR 172. In addition, DOTD and Consultant shall enter into an amendment to this contract to revise the maximum compensation set forth herein and specific rates of compensation, to the extent such are provided herein, in light of the actual audited indirect cost rate(s) received and approved by DOTD.

Upon receipt of the required forms by Consultant, Consultant shall sign the forms for itself and its sub-consultants to signify acknowledgment of receipt and then return the forms to DOTD. If Consultant requests and is approved to add a sub-consultant after commencement of work, such a form must be prepared, submitted, received, and returned before that sub-consultant commences work on this contract.

Consultants are also required to submit labor rate information once per year, or more frequently upon request from DOTD, to the DOTD Audit Section.

If Consultant is entitled to be reimbursed for direct and/or indirect costs of Consultant and/or any sub-consultants pursuant to this contract, Consultant/sub-consultant must maintain an approved project cost system and segregate direct from indirect cost in its general ledger. Pre-award and post audits, as well as interim audits, may be required.
May 29, 2019

Multimodal Meeting notes with Phil Jones and Stephen Holliday of LADOTD and Tom Hunter and Sherri LeBas of ACEC from meeting held at LADOTD HQ.

Notes taken by Tom Hunter and Sherri LeBas

Aviation

1. Drone Operations

LADOTD has three drones, one is fixed wing and two are rotary. At this time, use of drones and pilot programs are underway at LADOTD for bridge inspections, airports and highways.

Bridges: drones were used for taking photos of the Sunshine Bridge when it was damaged by a river vessel.

Airports: Being used to evaluate lighting. Also testing the use for obstructions in the approach slope. As of now, it takes two people to perform this as the operator must have a line of sight to the drone. However, North Carolina is researching this use for out of site capabilities.

Highways: In-house drones recently used the drones for the taking photos of the recent LA 70 flooding issue. (Not being utilized for pavement inspections at this time.)

The LA Legislature designated the LADOTD multimodal group to be responsible for rules & regulations. LADOTD is waiting on the federal government for rules.

2. Livingston Parish Airport

The Environmental Assessment is underway for a new general aviation airport in Livingston Parish. A public meeting for this airport is schedule for July 20, 2019.

3. N.O. International Airport

The new airport terminal is under construction and the date of opening has been pushed back to October of 2019.

4. Airline Incentives

Airline incentives are being discussed again; however, the effort has not received widespread support. (There was no legislation for this proposed this year, 2019.)
5. House Bill 575 of the 2019 Legislative Session regarding Ridesharing services Uber and Lyft

The legislation is waiting on the approval of the Governor.

Legislation specifies that LADOTD will be the regulating authority

Most likely this responsibility will be placed within the LADOTD Multi-modal Division

6. Funding: FY 17-18: TTF $29.7 million; Total Estimated Investment is $106.7 million
FY 18-19: TTF $29.7 million; Total Estimated Investment is $117 million
FY-19-20: TTF $29.7 million; Total Estimated Investment is $106.7 million

Applications are due by COB November 1

Generally speaking: ½ of the state Aviation Transportation Funds goes to match Federal Aviation Transportation Funds and ½ of the state Aviation Transportation Funds pays 100% of project costs.

7. Match: For aviation projects the Fed share to state share is 90/10.

Local dollars can also be used to match Federal Aviation funds.

8. National News: Congress authorized an additional $1 Billion in discretionary funding for FY 2018-2020 for commercial and general aviation airport projects. Louisiana received two grants from this. $15 Million for RSA project at Baton Rouge Metro and $10.5 Million for the TXY F project at Lafayette Regional. Congress also passed an additional appropriation of $500 Million in discretionary funding in FY 2019 for high priority projects. No awards have been made as of this publish date.


Ports and Waterways

1. WRDA
Trying to get WRDA 2020 passed. The draft is out. The match requirement was changed to 75/25.

2. Mississippi River Deepening
   a. Currently, waiting for OMB to put money in the Corps budget.
   b. Match funds: $81 million is needed for match to deepen the river. Of the $81 million, $41 million is needed for pipeline relocations and $40 million is needed for deepening.
   c. WRDA covers 100% of the maintenance cost. Once the river is dredged to 50 feet, then legislation says maintenance will be covered 100% by federal funds to maintain depth of 50 feet.
   d. The Civil Works bill has funding included but the Corps does not have it in the work plan at this time.
   e. The Southwest pass will be completed first.
   f. 9 pipeline crossings are north of NOLA.

3. Houma Navigation Canal
   Deepening to 20 feet from 12 feet
   Study is approved. Hoping for funding to be included in 2020 WRDA.
   Operation & Maintenance will be $3 million per year

4. Baptiste Collette
   Report has been completed

5. Port Priority Hearing for the 2019 legislative session was April 18, 2019. Included $40 million in State TTF.

6. Plaquemines Port Expansion
   a. Several different vertical markets: Tall Grass Energy and Drexel Hamilton Infrastructure Partners (DHIP) have partnered to build the Plaquemines Liquid (PLT) on the lower Mississippi River within PPHTD jurisdiction, connecting to the proposed Pelican and Seahorse pipelines that directly connect the terminal hub in Cushing, Ok to the St. James refinery complex that processes over 3.6m bpd and will directly connect to the offshore single point moorings that have export capacity of handling VLCC's. Other proposed verticals consist of a new container cargo facility, an air cargo and multiple distribution center warehousing capabilities and rail and highway infrastructure improvements.
   b. 4 different modes of transportation will exist at the Port of Plaquemines
7. **Funding:** There are no federal funds available for port improvements through LADOTD. For FY 2017-18 state TTF funding available is $39.4 million and this is the estimated amount for FY 2018-19 as well. Application deadlines are by the quarter: March 1st, June 1st, September 1st and December 1st.

8. **Ouachita River Deeping at Little River:** $500k in Priority 2 is included in the State Capital Outlay Bill to match federal funding in WRDA.

9. **AGMAC, Port of Iberia:** Funding in the State Capital Outlay for bulkhead work and pipeline relocation. This is in the Corps work plan.

**Rail**

1. **New Orleans Rail Gateway** – Due to a shortage of funds, LADOTD is reducing the Environmental Study to evaluate the relation of the NOPB track across Jefferson Hwy to where the KCS track crosses the highway. An alternative that will be studied is to grade separate the crossing with a highway overpass.

2. **Passenger Station Assessments—Currently underway.** This study will evaluate existing passenger stations in Louisiana to see how they comply with regulations and standards. This study is the first step in a long range plan to partner with local cities and MPOs to make improvements to their stations.

3. **PGBR Rail Chambering Yard** – The project is located south of the intracoastal canal on the west side of the river. Currently 40 to 45 unit cars can access the Port of BR but the economics of scale favor 80 to 110 unit car trains. Both Drax Biomass and LDC will benefit from this expansion. Union Pacific completed a $12M construction project for a new interchange that will land these unit trains prior to moving to the new Chambering Yard. Crash walls were also constructed around existing bridge columns within this rail interchange area. The project is pending eminent bid advertisement.

4. **LA 23 Rail Relocation** – The New Orleans RPC has completed the Environmental study (FONSI received) to relocate the NOGC railroad track in Gretna to the Peter’s Road Corridor. They are now looking for funding for the next phase. There are concerns from the residents about oil trains. Walter Brooks, COO of Jefferson Parish is holding a meeting June 20th.

5. **Baton Rouge to New Orleans Passenger Train—the Southern Rail Commission is working to secure funding to complete an environmental study of the KCS corridor.** Recent activity is the polling study performed by BRAF.

6. **New Orleans to Mobile Passenger Train—The Southern Rail Commission and the FRA are still negotiating with the CSX Railroad for the rights to reestablish this portion of the Sunset Limited Route suspended after Hurricane Katrina.**

7. **Considering a Freight Summit.** – This is being put on hold as there are many other freight summits occurring at this time.

8. **Short Line Rail:** HB 394 did get out of committee. Implies that State TTF cannot be used. There is no funding source in the bill; it just sets up a program in order to be able to compete for federal grants. This bill received legislative passage and was sent to the Governor for approval.
Commercial Trucking

1. The billboard bill to limit billboards did not pass this 2019 legislative session.
2. Platooning-UPS demonstration 2019: LA Law Act 310 of 2018 to reduce the minimum following distance for large vehicles-thereby opening the door for “platooning” of certain approved trucks. Previously, a Louisiana law dating back to 1962 specified that a “driver shall not follow another vehicle more closely than is reasonable and prudent.” Specific to trucking, the rule defined the distance as a minimum of 400 feet on a highway.
4. Jason’s Law provides that more than $6 million in federal funding be used toward the construction and restoration of safe roadside parking lots where truck drivers can rest.
5. Jason’s Law was specific in requiring DOT to perform three main tasks as part of a survey and comparative assessment: 1. Evaluate State capability to provide adequate truck parking; 2. assess truck volumes in each State, and 3. Develop a system of metrics to measure parking in each State.
6. Currently, a 2 week pilot is underway of autonomous vehicle (Mail truck) from California to Dallas.
7. Number one issue with the Trucking companies is Driver Shortage.

The DOTD Multimodal Division has implemented Multimodal Monday. Each Monday, a news article from one of the multimodal groups is put on the LADOTD website.