

**ACEC/NHDOT  
Consultant Quality Initiative (CQI) Committee**

Meeting Minutes – December 15, 2021

**Meeting Location:** Zoom Virtual Meeting

**Day/Time:** Wednesday (1:30 pm – 3:00 pm)

**In Attendance:**

Bill Oldenburg, NHDOT (Chair)

Mike Long, MJ (Co-Chair)

Jim Marshall NHDOT scribe

Ted Kitsis, NHDOT

Alex Koutroubas, ACEC

Chris Mulleavey HTA

Bill Cass NHDOT (for salary cap discussion)

Darren Blood, GM2

Marty Kennedy, VHB

Loretta Girard Doughty, NHDOT

Rob Faulkner, CHA

Tobey Reynolds, NHDOT

CR Willeke, NHDOT

- 1) Review and approve meeting minutes from November 17, 2021
- 2) Salary Cap Discussion
  - a. Bill O. presented and summarized the salary rate cap proposal and counterproposal
    - i. ACEC request to raise the salary cap from \$60 per hr. to \$70 per hour
    - ii. NHDOT Counter-Proposal
      1. Eliminate the salary cap
        - a. Limit the \$100 per hour and above to QC/QA type review or highly specialized work
      2. Negotiate Profit of the contract
        - a. 10% Fee for contract values under \$500,000
        - b. 8% Fee for contract from \$500,000 up to \$1,500,000
        - c. 6% Fee for contract values over \$1,500,000
      3. NHDOT will require % breakdown by classification on Fee Proposals
      4. NHDOT will require firms to be more responsible QC/QA
      5. NHDOT wants the Consultant to take ownership for their design
      6. NHDOT will monitor Salary rates by firm by task/contract and by classification
    - iii. The new salary cap “process” will only apply on New Contracts

Marty Kennedy:

- Asked will the Fee really be negotiated or is it set as stated above.
  - Bill O. responded that this is a starting point to negotiate up or down based on risk and project complexity.
  - Bill O.- For each contract it is envisioned that, the Consultant will Propose a fee with justification. Ultimately approved by Bill Cass and Pete Stamnas.
- Limiting the fixed fee to 6% for large projects while allowing 10% for small projects would have consultants who are awarded large projects needing to commit more of their highly skilled engineers (larger projects tend to be more complex) for a longer period (larger projects tend to extend over several years) while receiving a lower profit margin. Smaller projects, which tend to be less complex and tend to not extend for long periods receive a higher profit margin. That appears to be counterintuitive.
  - Bill O. pointed out that with a salary Cap that also reduces the Fee %.

- Marty stated that he favors the consultant taking on more of the responsibility for quality control, but that it will be important that the Department and consultants are on the same page as to what that means.

Mike Long

- As for example if Mike were to apply this new guideline to one of his existing contracts the Fee is reduced by \$100K.
- If Quality of a Project is the Consultant (not to say that it is not now) such that the department does not need to perform the same level of in-depth review than that responsibility should come with a price.

Rob Faulkner

- General comment, a 10% profit is not that much if something goes wrong with an assumption made during initial scoping that could have taken place years ago before the project was fully scoped out.

Darren Blood

- Requested that the ACEC consultant group take the NHDOT proposal back and evaluate the impact this will have on consulting contracts.

Bill Cass left the meeting.

Chris Mulleavey and Jim Marshal will update the group on the status of the charter at the next meeting in January.

January Technical Meeting currently scheduled for January 14, 2022. Later discussion set the date for February 4<sup>th</sup> 2022.

Alex Koutroubas

- Threw out the idea that Contractors/Consultants/NHDOT get together to talk Issues of Common Concern. A Round Table discussion using the Owl video equipment for a hybrid meeting.

Ted

- Noted that the 3D model needs to be available at time of bids. Discussion about what level of detail is acceptable to both groups design and the contractors. Is it at 85% to about 90% of design?

CR Willeke

- With the new IJA monies the LPA bridge program is being accelerated keeping in mind that the Federal definition of a bridge is a 20 ft span. (NHDOT defines a bridge as a 10 ft span.)
- Balancing state monies and new fed monies to accelerate all projects.
  - More to come. Cr is working on balancing the program

Next Meeting Wednesday January 19th in person in room 114.