



The Gulf Consortium
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Statement of Issue:

Address some frequently asked questions (FAQs) about procurement for Bucket 3 (spill impact component) work. Detailed procurement policies of the Gulf Consortium are at <https://www.gulfconsortium.org/policies-and-procedures>.

Fair and open competition:

Nothing in the RFP or RFQ should be restrictive of competitive – see 2 CFR 200.319. For example, requiring or preferring a substantial amount of prior work for the county could be seen as restrictive if it is not required for successful completion of the scope.

Existing procurements:

Existing contracts can be utilized if the procurements were 2 CFR 200 compliant and were recent (last 2 years). These contracts and procurements should be described at the time of grant application, and the RFP/RFQ, winning response, and resulting contract should be provided to the Gulf Consortium for case-by-case review of compliance.

Profit negotiation:

According to 2 CFR 200.323, the grant recipient “must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed.”

2 CFR 200.320(d)(5): Price is not a selection factor, but contracts are still “subject to negotiation of fair and reasonable compensation.”

Florida’s CCNA rules effectively have similar outcomes: for professional services, competition is based on qualifications, not price, but prices/costs still need to be reasonable. Your Finance Department will be familiar with these requirements.

“The negotiation should result in a reasonable basis (that can be documented) for the profit element of cost included in the contract. However, situations may arise where the profit might not be negotiated separately per se, e.g., because it is already part of a wage rate that includes profit. In those situations, it would be acceptable to restrict these negotiations to the prevailing wage rate schedule generally provided by contractors, given that it can be assumed (or affirmed) that profit is baked into such rates. If a prevailing wage rate being considered already includes profit, that should be taken into account, and additional information might not be needed to establish a reasonable price, including profit”



Q. How is “reasonable compensation” or “negotiated profit” determined?

A. Most professional services have a published rate.

Link to spreadsheet from SWFWMD at <https://www.gulfconsortium.org/grant-resources>

FDOT provides another good starting point:

<https://www.fdot.gov/procurement/InternetReports.shtm#jobclass>

Select Consultant Wage Rate Report.

Then select Statewide, or District you are in, Date Range (1 or 2 years), Home Office, and either all jobs or just the ones closest to your area of interest and Click View Report on the upper right of the screen:

Home > PDA Reports > Public Reports > JobclassAveragesInternet

Select Jobclass for ReportArchaeologist,Architect,Chief Scientist, DistrictStatewide Date Range (1 or 2 Years)1 Year Rate Type (Home or Field)Home View Report

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Job Class Rate Statistics (Statewide Averages)										
Job Class	Actual Rates (Unloaded)			** Partially Loaded Actual Rates Home			Contract Rates (Unloaded)			Unit
	25th Percentile	Mean / Avg.	75th Percentile	25th Percentile	Mean / Avg.	75th Percentile	25th Percentile	Mean / Avg.	75th Percentile	
Archaeologist	\$19.72	\$23.89	\$29.43	\$54.33	\$65.82	\$81.08	\$28.26	\$27.45	\$28.58	Hour
Architect	\$40.89	\$50.62	\$54.43	\$112.66	\$139.47	\$149.96	\$40.89	\$50.62	\$54.43	Hour
Chief Scientist	\$52.16	\$63.34	\$71.56	\$143.71	\$174.51	\$197.15	\$52.24	\$62.07	\$66.74	Hour
Contract Coordinator	\$27.95	\$34.04	\$37.50	\$77.01	\$93.77	\$103.32	\$27.50	\$33.78	\$37.82	Hour
Environmental Specialist	\$24.43	\$29.60	\$34.16	\$67.29	\$81.54	\$94.11	\$25.34	\$29.53	\$32.51	Hour
GIS Specialist	\$26.44	\$35.22	\$42.69	\$72.84	\$97.05	\$117.62	\$26.12	\$35.23	\$42.00	Hour
Project Landscape Architect	\$40.97	\$48.94	\$60.00	\$112.88	\$134.84	\$165.31	\$40.97	\$48.94	\$54.89	Hour
Scientist	\$21.95	\$26.73	\$30.77	\$60.48	\$73.64	\$84.77	\$24.16	\$27.33	\$29.61	Hour

The Job Classes are defined as to qualifications and credentials. A reference document may be found online at: <https://www.fdot.gov/docs/default-source/procurement/pdf/negot.pdf>



Not every role in a project will be defined or included. The roles generating the most cost for the project should be driving the analysis. If the majority of cost is generated by a few job classes, and those job classes are within range, it is reasonable to expect that other job classes will be within range; the inverse is also true – if the primary job classes driving the project cost are out of range, others may be as well. Each firm’s overhead rate and profit margin are negotiated at a project level, and the reported rates reflect the aggregation of negotiations across many contracts. A firm will have one overhead rate for the year, across all activities.

Figure 1. Definition of Job Class: example

Senior Scientist	Relevant Degree w/ 10+ years of experience
Senior Underwater Certified Bridge Inspector	5+ years serving as a safety bridge inspection team leader who also coordinates, assists and provides guidance to other bridge inspection teams. Possess appropriate PADI or NAUI diver

The Loaded rates provide a range for comparison. Loaded rates include overhead costs and operating margin, or profit. For example, if you are looking at rates for scientists, \$60.48 - \$73.64 is the range of 25th percentile to 75th percentile. We expect people at the upper range of experience for that title to be closer to the top, and those with less experience to be closer to the bottom. If the proposed rates for your chosen firm and within range, your Finance analyst can tick the box on the cost analysis. Save the screenshot in your file documentation to support the cost analysis. If the proposed rates are well outside the range, you will need to justify why their rates are appropriate for the proposed work. Is it highly specialized, such that very few firms could do this work in your area? If there is not a solid reason why the proposed rates are out of range, you may need to revisit or renegotiate rates to explain a variance. Keep in mind that Consortium staff will have to make the same rationale, and a future auditor will as well.

Required language

From the standard Gulf Consortium subrecipient agreement, the following language should be included in an RFP or RFQ. If an existing procurement is to be used, it is recommended that this language be included as part of a contract amendment:

“Applicants or bidders for a lower tier covered transaction (except procurement contracts for goods and services under \$25,000 not requiring the consent of a Council official) are subject to 2 C.F.R. Part 180, “OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement).” In addition, applicants or bidders for a lower tier covered transaction for a subaward, contract, or subcontract greater than \$100,000 of Federal funds at any tier are subject to relevant statutes, including among others, the provisions of 31 U.S.C. 1352, as well as the common rule, “New Restrictions



on Lobbying," published at 55 FR 6736 (February 26, 1990), including definitions, and the Office of Management and Budget "Governmentwide Guidance for New Restrictions on Lobbying," and notices published at 54 FR 52306 (December 20, 1989), 55 FR 24540 (June 15, 1990), 57 FR 1772 (January 15, 1992), and 61 FR 1412 (January 19, 1996)"

Example:

- See attached Citrus County RFQ