TO:	**ALL COUNTY PERSONNEL**
FROM:	**ROBERT WEISMAN** **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**

ISSUE DATE	**EFFECTIVE DATE**
January 20, 2012	**January 20, 2012**

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).

SCOPE:

This ppm is applicable to Airports, Facilities Development & Operations, Environmental Resources Management, Engineering 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 service including 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 3.0 unless an exception is allowed per Paragraph 3.

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 3.0 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, Deputy or Assistant County Administrator, with final approval by the County Administrator unless an exception is allowed per Paragraph 4.

4. Departments may use a multiplier exceeding 3.0 when required in accordance with state or federal grants or other external agency requirements.

ROBERT WEISMAN
COUNTY ADMINISTRATOR

Supersession History:
1. PPM# CW-F-066, issued 3/12/1999