Mission
Work with our TxDOT customers and external partners to procure the most qualified consultants to deliver effective solutions for Texas

Goals
Deliver the right projects; Focus on the Customer; Foster Stewardship; Optimize System Performance; Preserve our Assets; Promote Safety, and Value our Employees

Values
People, Accountability, Trust, Honesty

Procuring the most qualified consultants to deliver effective transportation solutions for Texans

Professional Engineering Procurement Services represents the consolidated procurement organization supporting engineering, architectural and surveying contracts
What’s Changed in PEPS Division?

HOW DO I GET STARTED?
What’s New in PEPS Organization?

DEPUTY DIRECTOR
Lucio Vasquez, PE
512-416-2039

CENTRAL SCM
Jaime Vela, PE
512-416-2007

CENTER OF EXCELLENCE
Dan Neal, PE
512-416-2667

CENTRAL SCM
Jaime Vela, PE
512-416-2007

Ft. Worth SCM
Norma Glasscock, PE
817-370-3675

AUSTIN SCM
Charles Davidson, PE
512-832-7315

FT. WORTH SCM
Norma Glasscock, PE
817-370-3675

HOU GCM
Gail Morea, PE
713-802-5795

DALLAS SCM
Joe Jancuska, PE
214-320-6167

SAN ANTONIO SCM
Larry Wenger, PE
210-615-9371

EL PASO SCM
Efrain Esparza, PE
915-790-4313

PEPS DIVISION DIRECTOR
Martin Rodin, PE
512-416-2038

BUSINESS OPERATIONS
Roy Gonzalez
512-416-2034

EXECUTIVE ASSISTANT
Kristina Kottke
512-416-2037

FTE ALLOCATION: 114
Prop 7 significantly increases TxDOT Letting Volume

$4.3 Billion Average Letting (FY 2012 – 2016)

$6.5 Billion Average Letting (FY 2017 – 2025)
What’s New in PEPS Annual Procurement?

NOTE: FY 18 to FY 20 are projections only.
## What’s New in PEPS Annual Procurement?

<table>
<thead>
<tr>
<th>Service</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Architecture</td>
<td>$6,000,000</td>
</tr>
<tr>
<td>Bridge Inspection</td>
<td>$52,000,000</td>
</tr>
<tr>
<td>Bridge On/Off Replacement</td>
<td>$9,000,000</td>
</tr>
<tr>
<td>Construction, Engineering, Inspection (CEI)</td>
<td>$300,000,000</td>
</tr>
<tr>
<td>Critical Path Method Scheduling (CPM)</td>
<td>$6,000,000</td>
</tr>
<tr>
<td>Engineering</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>General Engineering Consultant (GEC)</td>
<td>$40,000,000</td>
</tr>
<tr>
<td>Geotechnical</td>
<td>$19,000,000</td>
</tr>
<tr>
<td>Hydraulic</td>
<td>$18,000,000</td>
</tr>
<tr>
<td>Other (describe in Comments)</td>
<td>$16,000,000</td>
</tr>
<tr>
<td>Planning</td>
<td>$17,000,000</td>
</tr>
<tr>
<td>Plans, Specifications and Estimates (PS&amp;E)</td>
<td>$400,000,000</td>
</tr>
<tr>
<td>Procurement Engineering (PcE)</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>Schematic</td>
<td>$25,000,000</td>
</tr>
<tr>
<td>Schematic / Environmental</td>
<td>$200,000,000</td>
</tr>
<tr>
<td>Schematic/Environmental/PS&amp;E</td>
<td>$45,000,000</td>
</tr>
<tr>
<td>Survey</td>
<td>$60,000,000</td>
</tr>
<tr>
<td>Traffic Engineering</td>
<td>$16,000,000</td>
</tr>
<tr>
<td>Traffic Signal Timing</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Utility Engineering</td>
<td>$12,000,000</td>
</tr>
<tr>
<td>Materials Engineering</td>
<td>$12,000,000</td>
</tr>
<tr>
<td>Facilities Engineering</td>
<td>$6,500,000</td>
</tr>
<tr>
<td>Independent Engineer (IE)</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>Traffic &amp; Revenue (T&amp;R)</td>
<td>$5,000,000</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>$1,310,500,000</strong></td>
</tr>
</tbody>
</table>

Three categories make up 70% of the annual procurement.
- CEI
- PS&E
- Schematic/ENV

$900 Million annually
What’s New in PEPS Procurement Process?

- Established ZERO Goal for disqualifications
- Streamlined initial proposal screening
- Provide immediate notice and reason for disqualification
- Automated AQ and Precert checks on PTC
- Issuing over 50 new precertifications to replace standard NLC’s
- Better project mix with 50% ID/50% SD
- Future GEC will be SD only
- Future CEI can be ID or SD contracts
- Future CEI will be WA on contract execution

- QUALITY DOES NOT HAPPEN BY ACCIDENT
- OUR GOAL FOR CONSULTANT DISQUALIFICATIONS IS ZERO
- 99,999 DAYS SINCE OUR LAST DISQUALIFICATION

Procuring the most qualified consultants to deliver effective transportation solutions for Texans
What’s New in PEPS Procurement Process?

- Q&R templates shifting toward PM and TL experience
- Q&R templates removing references to TxDOT specific experience
- Consultant Project Managers must be precertified in at least one category
- PM and TL can be replaced during solicitation
- Require PDF submittal of SOQ in FY 2018 Wave 1
- All electronic SOQ submittal in FY 2018 Wave 3
- Removing SOQ from Federal process in FY2018
What’s New in PEPS Debrief Process?

- Debriefs happening sooner
- On ID contracts as soon as selections are announced
- On SD contracts as soon as short list is announced
- Group debriefs being offered
- Individual debriefs still provided
- Meaningful debriefs of 1 hour or more

October 11, 2017
“Hi Harry,
I would like to thank you for a great de-briefing. I have learned a lot of what TxDOT is looking for when soliciting a project specific proposal. While every project will have different criteria in the future, I believe I’ve got some idea on how to improve our submittals.”

August 17, 2017
“Chris,
I’ve been the PM on Dallas Survey contracts for almost 30 years and today’s debrief was the most comprehensive and informative I have ever received. Thank all of you very much. Well done!”
What’s New in PEPS Negotiation Process?

- Consultants fill out initial rate card
- Indicate if previous similar rates recently negotiated
- PEPS has expanded the range of the Negotiations Rate Tool
- Recommend proceeding to live negotiation after two rounds
- No more 24 hour gauntlets
- Added an appeal procedure in the process to walk away from contract negotiation

3/14/2016 - Message from TxDOT to A
- “Please see attached final offer for all. I expect all to accept the final offer.”

4/19/2016 - Message from TxDOT to B
- “Your request is denied.”

5/19/2016 - Message from TxDOT to C
- “Listing old negotiated rates does not help and won’t work. Each job is different and our rates change month to month. Don’t waste your time and mine with that.”
What’s New in PEPS Work Authorization Process?

- New WA metric of 50 days total
- Weekly staff meeting in PEPS at 10 AM on every Monday
- Monthly report on WA over 50 days to Senior Leadership Team
- Shared review/checklist with CSD
- Enforcing HUB and DBE goal at the work authorization level
- Reporting on engineering fee as a percent of construction cost
- Reduced holdout for contingencies
What’s New in PEPS Invoice Process?

- Number of invoices as doubled in last 3 years
- Payment of invoices is required within 30 days or we must pay interest
- Payments on time have increased from 88% on time to 99% on time over the last three years
- Best practices memo from Bill Hale regarding allowable reductions of less than 1% in lieu of invoice rejection
What’s New in PEPS Evaluation Process?

- Past performance scores at higher percentages
- Prime provider evaluation system in PSCAMS
- Tracking evaluations per Sunset guidelines
- Monthly progress report going out to all DE/DD
- District and Division approval built into new evaluation process
- Appeal procedure through PEPS Division Director in new evaluation process

**MEMO**
April 20, 2017

<table>
<thead>
<tr>
<th>To:</th>
<th>District Engineers/Division Directors</th>
</tr>
</thead>
<tbody>
<tr>
<td>From:</td>
<td>William Hale, P.E.</td>
</tr>
<tr>
<td></td>
<td>Chief Engineer</td>
</tr>
<tr>
<td>Subject:</td>
<td>Consultant Prime Provider Evaluations</td>
</tr>
</tbody>
</table>

The Department is being tasked with delivering an ever increasing number of projects and relies on consultants to help us deliver these projects. It is imperative that we work effectively and efficiently with consultant prime providers to produce high quality results. At times, there may be consultants who are not performing at the level we need, which wastes valuable time and resources and also puts delivery of our project portfolio at risk.

Effective communication is our most valuable tool for working with consultant prime providers. The Sunset Advisory Commission identified in their 2016 review of the Department that we were not completing consultant evaluations annually on the bulk of our consultant contracts. By not completing annual contract evaluations or end of project evaluations, we are putting the Department at risk for repeatedly selecting poor performing consultants. We must have an honest and defensible evaluation of consultant contracts annually and at project terminations, per Sunset recommendations.

Each TxDOT project manager shall complete an annual evaluation and shall complete an end of project evaluation on each consultant contract that they are managing currently. Each TxDOT project manager shall also complete an interim evaluation any time that a consultant is not performing to expected standards for the Department.

PEPS Division will assist in this effort by providing reminder e-mail notices to District and Division project managers when contracts are due for annual evaluations and when contracts are due for end of project evaluations. For assistance or questions on this issue, please contact PEPS Division Director, Martin L. Rodin, P.E. at 512-416-2038.
What’s New in PEPS Preclusion Process?

• Non-design subs are allowed to proceed from PS&E to CEI
• TTI performed nation-wide study of best CEI practices
• Preparing an executive report with recommendations
• Proposed sanctions and required training
• Needs commission approval
• Ultimately rely less on preclusion as our mitigating tool
Is It Working?

- Initial screening is faster
- Disqualifications are down
- DQ notice is immediate
- Debriefs are getting better
- Debriefs are starting earlier
- Negotiations are improving
- WA are monitored weekly
- WA are executed sooner
- Invoices paid sooner and better
- Contracts shared across SCM
- Feedback openly requested

YES!