



Overview of Independent Fee Estimates and Analysis

Follow-up to NCAA Annual Conference Presentation on Procurement of Professional Services for Airport Planning and Design

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NCAA Regional Meetings
June 2016



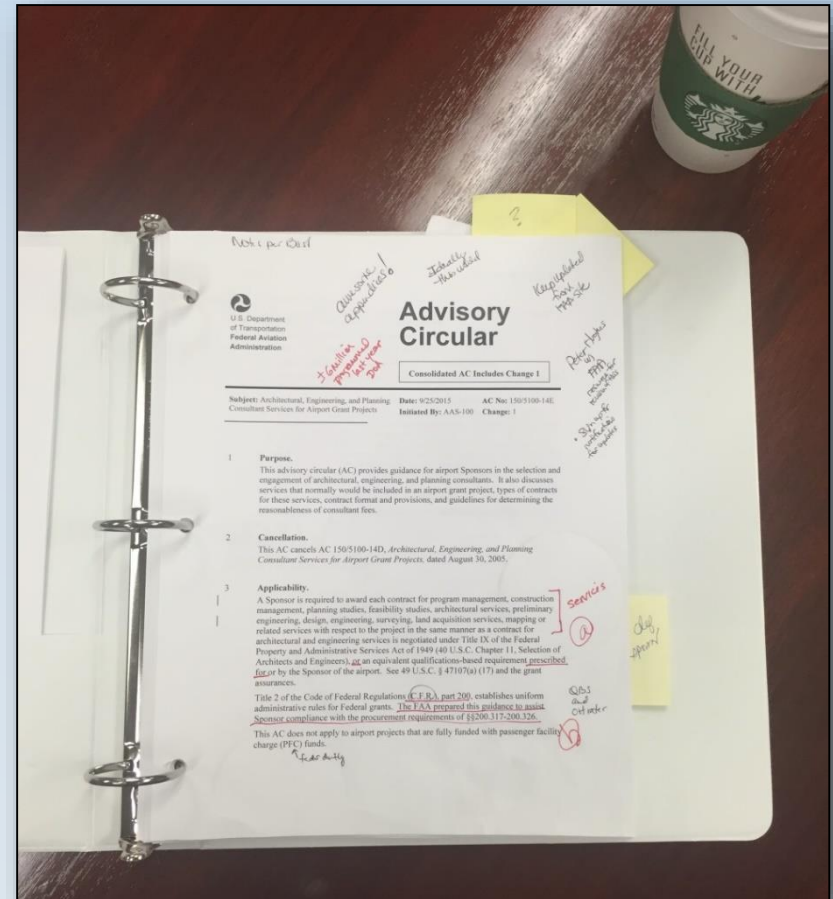
Independent Fee Estimate / Analysis

Why???

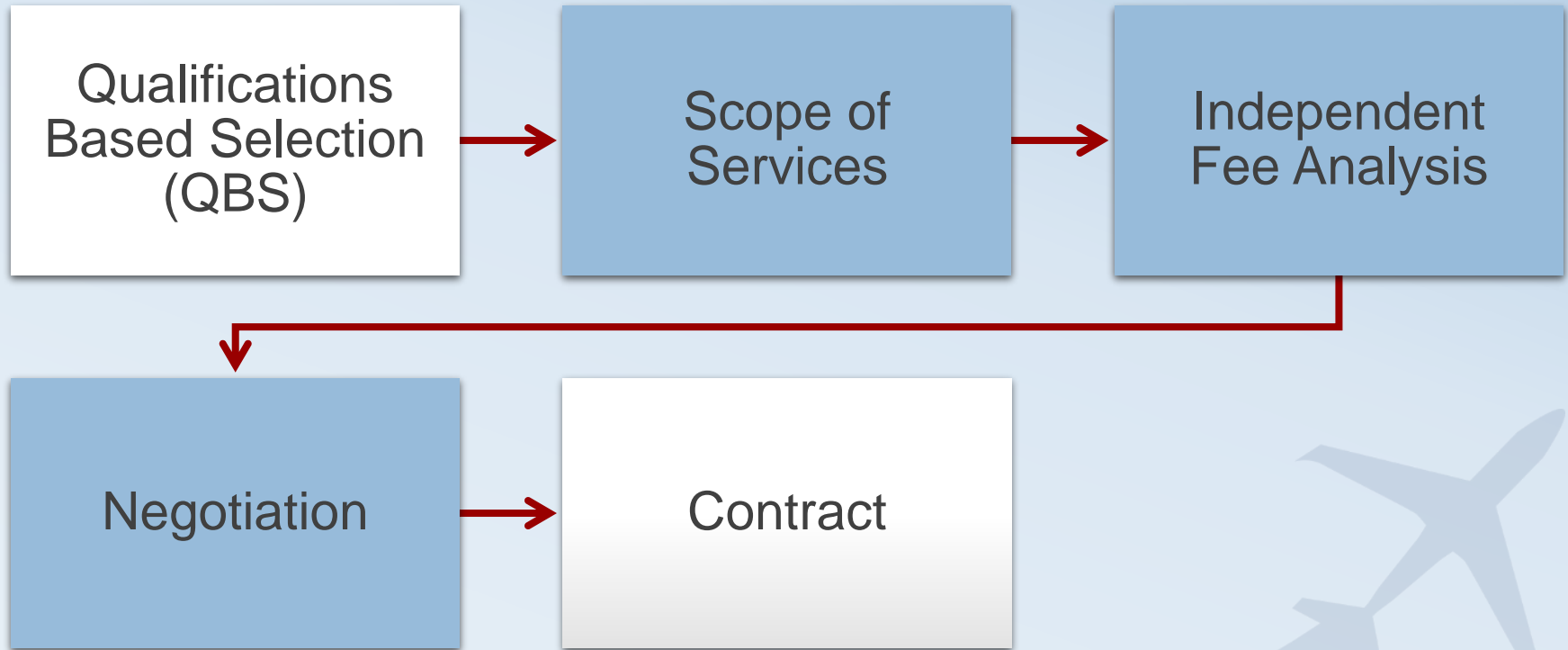
- Helps insure sponsors pay fair market value for consultant work
- FAA requirement

Best Resource...

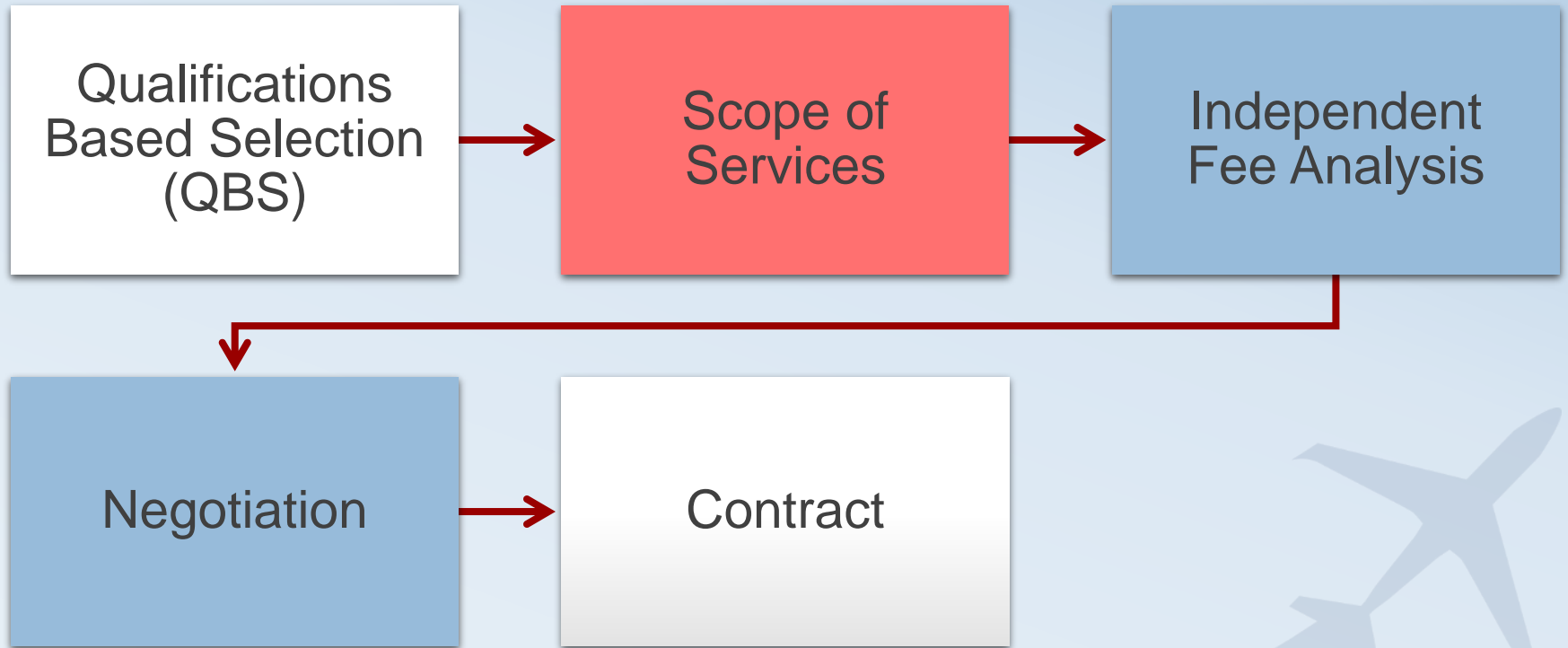
- FAA Advisory Circular 150/5100-14E (with Change 1)
- Today's presentation is a broad overview on Independent Fee Estimates covered in Section 2.13 of the FAA AC – see the AC for specifics!



Procurement of Professional Services



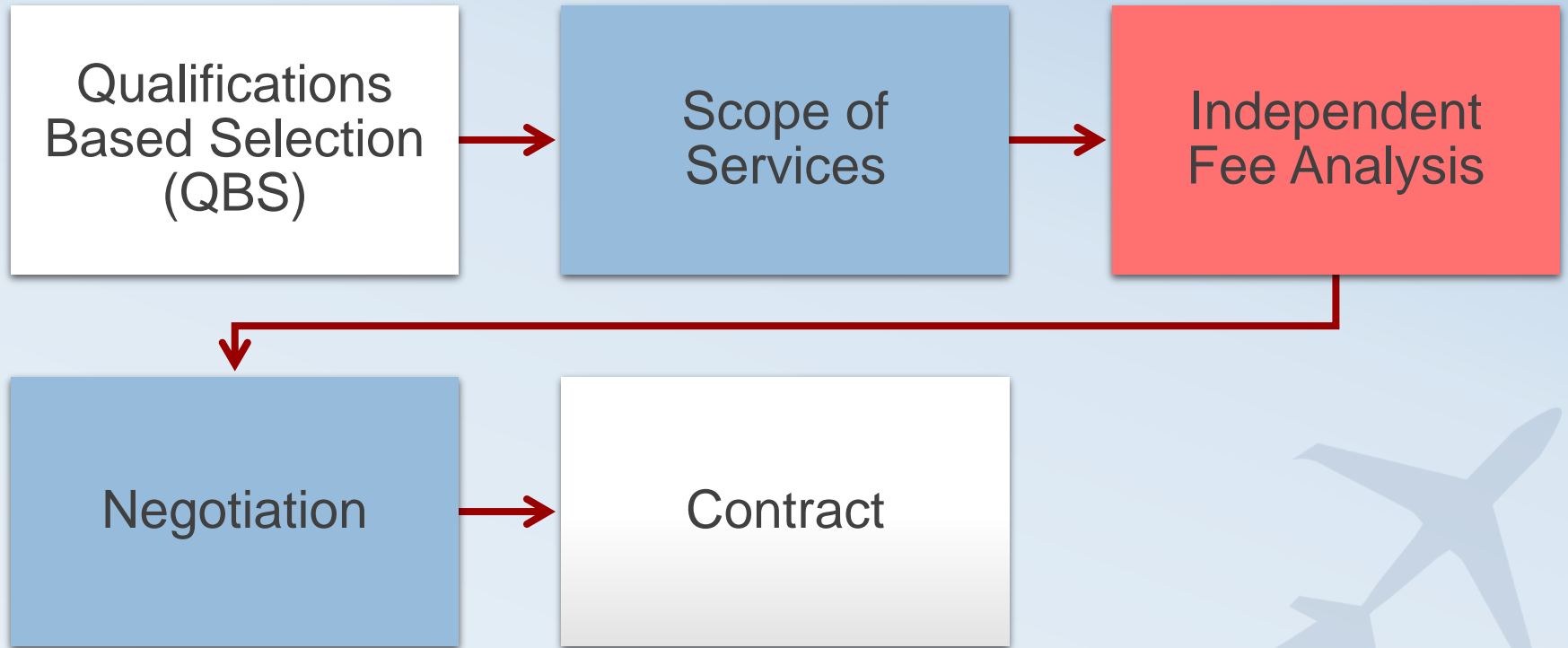
Procurement of Professional Services



Develop Scope of Services First

- With the consultant and your APM, develop a specific Scope of Services
- The Scope of Services must be *project specific*
 - Discuss at Scoping Meeting with consultant and APM
 - Collaboratively develop project details
 - Consultant writes the Scope of Services including major tasks
 - APM concurs, and Sponsor approves
 - Includes details but no fee information (hourly, total, or any other)

Procurement of Professional Services

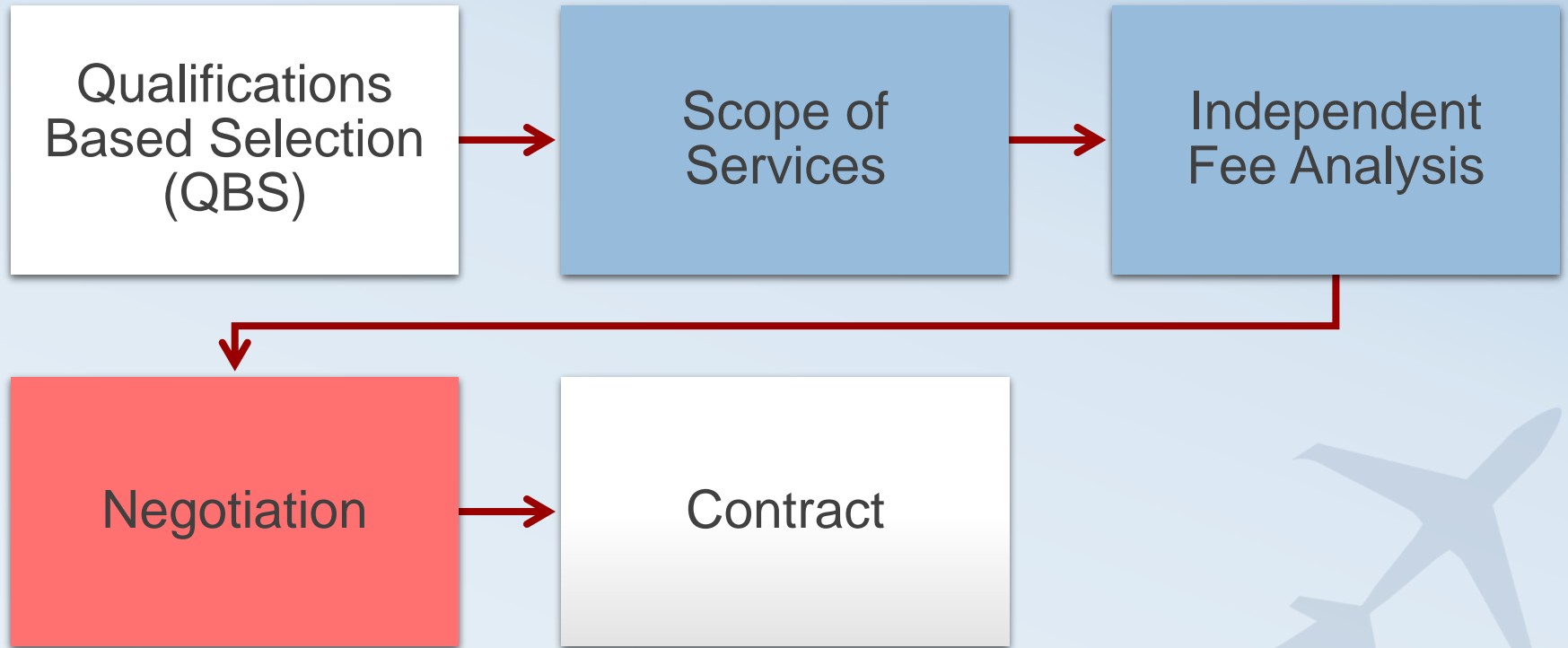


Independent Fee Estimate / Analysis (IFE / IFA)

- Solicit from another engineer OR ask DoA to assist
- Required per FAA AC 150-5100-14E
 - Value expected to exceed \$100,000:
 - Detailed, include direct labor hours, labor rates, general and admin overhead, non-salary expenses and profit; normally prepared by another engineer and called an Independent Fee Estimate
 - Value expected to be between \$10,000 and \$100,000:
 - Less detailed – such as a written comparison to previous projects
 - Value expected to be less than \$10,000:
 - Only a written record of negotiations is required

(Documentation of IFA is required by DOA in all instances)

Procurement of Professional Services



Using IFE / IFA in Negotiation

- After conducting an Independent Fee Analysis (IFA), the Sponsor then requests a fee proposal from the consultant
 - If fee proposal is within 10% of the IFA, negotiations are optional
 - If fee proposal exceeds IFA by more than 10%, Sponsor should begin negotiations
- Goal of negotiation is fair and reasonable payment for scope of work
- If negotiations are not successful, Sponsor begins negotiations with next highest ranked consultant

(Documentation of all negotiations is required by DoA)



Thank you!

For more information on the North Carolina Airport Technical Assistance Program, contact:

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NC AirTAP

The North Carolina Airport Technical Assistance Program (NC AirTAP) is a joint effort of ITRE, the [NCDOT Division of Aviation](#), and the [North Carolina Airports Association](#) to support the state's public- and private-sector airport professionals. Through educational offerings and related assistance, NC AirTAP helps NC airports improve the safety, quality and efficiency of new aviation materials and technology. NC AirTAP also helps airport staff build a culture of best practices. The program is guided by a Steering Committee representing state officials, airport operators, and consulting firms which support North Carolina's aviation industry.

2016-2017 PROGRAM INITIATIVES

NCAA MEETINGS

NC AirTAP staff will be attending NCAA regional and annual meetings to promote the program, present information, and gather input from association members. Please check here again for upcoming meeting dates and announcements.

NC AirTAP PRODUCTS

Training offerings, technical assistance, and information resources are in development and will be announced here.

NC AirTAP E-NEWS

Airport industry professionals and interested persons are invited to receive regular e-news updates on NC AirTAP.