

**Notes from SPSF Event.** *Please note that these are notes and not official minutes.*

July 27, 2023, Wake County Commons Building

Tunya Smith – Office of Civil Rights Director:

Discussed the new General Statute language as part of 136-28.10. Mentioned that SPSF firms will be competing with firms of similar size and NCDOT staff is looking at opportunities for small businesses including all the modes.

The SPSF program is a race and gender-neutral certification that was established in 2007 with FHWA. The program operates under Sector 54 of the NAICS codes and under the criteria of a small business per SBA standards. Under Sector 54 there is more than engineering, such as legal advice, architectural, accounting, etc. The new legislation gives SPSF firms the chance to build as a prime contractor/firm and allow the firms to grow.

SPSF steps include Certification, Prequalification, and the [Procurement Process under the policy and procedures for procurement](#). Firm must be certified as an SPSF at the time of submittal to an advertisement.

Julie White – Deputy Secretary for Multi-Modal Transportation:

Julie expressed thanks to the consultants who work as an extension of the NCDOT team. The transportation modal units have been very intentional about partnering with OCR for opportunities and are currently looking at some different opportunities to use this legislation. One area being considered is the drone space for partners with drone capabilities throughout the state. Another area is planning for the transportation modes. She encouraged firms to talk to the modes for any opportunities that they see.

Kevin Bradshaw – State Prequalification Engineer:

Kevin stated that the purpose of the Prequalifications Management section is to review applications to ensure firms have the knowledge and experience to effectively do the work required on the contract. All bidders, subs and PEFs need to be prequalified. NCDOT currently has around 2500 firms that are prequalified. There are four types of prequalification: sub, POC Prime (Division bidders), Prime (central let bidders) and private consulting firms (PEF).

PEFs, perform services such as engineering design, geotechnical, surveying and inspection.

Kevin noted that prequalification does not mean certification, including the SPSF certification. They are separate programs and are not interchangeable. Also, a firm is not prequalified indefinitely, there is a renewal every three years.

The application process is 100% online and any required documentation is uploaded within the system.

There are three steps to prequalification: Acquire a business NCID, Register the NCID and tax ID with NCDOT/Prequal, and fill out the application. Kevin went through page by page how to fill out the application process for the discipline codes that the firm performs. Note that you need to have at least one employee associated with each discipline code selected, as well as at least one project associated with each code. To see what is required for each discipline code, consult the [Discipline Requirements](#) on the NCDOT Connect site. If any additional information is needed above what has been submitted, the subject matter unit will reach out to the consultant. Corporations and LLCs must be registered for the Secretary of State's Office.

Once prequalified, you can submit on the advertisements. Kevin noted that when you are prequalified, you will start getting information on meetings, opportunities, and it may not be just NCDOT work, but also municipalities.

If anything changes in your application, you must re-submit your application, not just hit save and exit.

#### Joni Robbins – Procurement Director:

Joni noted that the SPSF program is different from the HUB program and because you are HUB certified does not mean that you automatically can be SPSF certified.

If you are a HUB vendor, you are used to working under GS 143 and the SPSF program is under GS 136. Therefore, there is a different advertisement location which is under the NCDOT Connect for [Consultant Advertisements](#).

Most of the contracts that will be advertised are Limited Services Contracts (LSC), which is something that is not done under 143 or the HUB program.

#### Matt Clarke – Director of Technical Services:

Matt stated that he will be presenting is one tool that NCDOT will employ under the legislation and advertisement for SPSF firms, and wants to hear the audiences thoughts and comments. Nothing is finalized and your input will be beneficial.

Everything that will be discussed does require a firm to be prequalified as a professional services firm, and for the most part a license is required in specific areas.

For the type of work that will be used under the advertisement and under the SPSF legislation, NCDOT is still sorting that out. Currently however, NCDOT is looking at opportunities with bridge replacements on secondary roads, and Highway Safety Improvement Program (HSIP) projects.

The advertisement is to come out in early September to allow enough time for teams to be built. Unlike past advertisement, there are a few unique items, the prime must be certified as an SPSF and hold some prequal codes that will be included in the advertisement. In addition, the Project Manager must be provided and under the SPSF Prime to manage the budget and schedule. The SPSF Prime must remain in responsible charge for the contract and assignments.

The advertisement will have a listing of the minimum required prequalification codes. After showing the codes being considered, Matt asked for feedback as to whether the codes were too restrictive and/or should any other codes be added. Matt noted that there will likely be discipline codes beyond these, but that every possible code will not be included in the advertisement. The task orders will be more descriptive on what codes are needed for the contract. Matt stated that it is perfectly fine if your team brings more codes than the minimum required, and it may be encouraged for selection purposes. In addition, if a task requires a code that is not on the minimum list and not listed under your team, the SPSF prime can add a sub who has the prequalified code.

NCDOT expects that a majority of the services on the contract will be delivered by a SPSF firm on the team, including the SPSF Prime. Matt noted that majority means majority whether by SPSF prime or sub. In addition, NCDOT encourages a diverse team and wants to see firms come together to build a robust team to deliver projects for the department.

Lastly, NCDOT is considering limiting the number of teams a firm (either SPSF or non-SPSF) can be on to four teams. An example for a firm would be one team as a SPSF Prime and 3 teams as a sub, or 4 teams as a sub.

NCDOT will be providing oversight and monitoring on this contract as well as the current contracts for items such as team utilization, project assignments, contract expenditures and annual reporting. There is more to come on this, but there will be a focus that will be communicated via the Chief's Office to the 14 divisions.

#### Q & A:

Q: Will this be like feasibility services where you can pick the services you want to perform.

A: These will not be like the feasibility services. This advertisement will be more in line with the Eastern and Western GES/LSC contracts.

Q: What if the PM is not an engineer? Is there any requirements that they must be an engineer?

A: There is no requirement that the PM has to be an engineer. The PM should however be qualified to deliver a project.

Q: All the codes are design related, nothing to execute that work after design. Is there a way for SPSFs to do work that have codes after design (i.e. CEI).

A: The contract we are presenting today is limited to preconstruction services. Matt will bring the question back to Boyd Tharrington and Lamar Sylvester to see if there may be future opportunities beyond preconstruction. This advertisement is a starting point and any change will be reflected in the advertisement. Typically, preconstruction and CEI are under different advertisements/contracts.

Q: Would the preconstruction and CEI work always be done by the same firm?

A: Not the case typically, usually two separate and distinct firms.

Q: What about non-engineering services such as human resources.

A: That is something we cannot answer right now and would be a question for our NCDOT Human Resources group. Strictly from DOH, it is service we do not need under this particular contract; however, we will share with the Director of HR.

Q: Is the use of non-SPSFs permitted on the team?

A: Yes, non-SPSF firms are permitted on the team. However, SPSFs should complete the majority of the work and the prime must be SPSF.

Q: How will NCDOT look at SPSF prime firms that are heavy on specific codes (i.e. surveying).

A: Each team is evaluated independently and how the team can meet the expectations of the advertisement. The selection criteria will be in the advertisement.

Q: Is there a database where we can see other prequalified SPSF firms?

A: Yes, there is the [Directory of Firms](#).

Q: Is the criteria to be on no more than four teams for the SPSF contract only?

A: Yes, only for this SPSF advertisement. For the other contracts that are non-set asides, this does not apply. This is only for this advertisement. Note that this does not have any impact on any future advertisements or ones you are currently on.

Q: What is the term of contract?

A: One year with ability to extend was discussed.

Q: What is the contract limit?

A: NCDOT is currently considering \$250k, but yet to be finalized. There are a few things yet to be determined. Even with this limit, it does not constrict the department from increasing the contract amount.

Q: Will there be an advantage for the prime firm to add subs as tasks come up? What if the firm is already on 4 teams that you want to add?

A: This is something we need to clarify at NCDOT.

Q: What is the anticipated number of LSCs under this advertisement?

A: Have not considered yet, but it will be listed in the advertisement.

Q: Is there an internal mandate to put a certain amount towards this legislation?

A: This is a topic that is being discussed by the Chief Engineer's Office.

Q: Have you thought about taking some of the existing or upcoming LSCs and saying that say 15% go to SPSFs?

A: Those current contracts are not specific to SPSFs, but the department can manage the contract assignments for the way we utilize firms and the contracts we currently have available to us as an overall plan. There will be oversight programmatically on how the contracts are being utilized and how the assignments are being made. There will be a pro active approach in this.

Goal is that the majority of work be performed by SPSF firms for this contract. This will be monitored. This is one tool to give opportunities to SPSFs, but we will also be looking at existing contracts. We can see payments to not only the prime level, but also the subs.

As for future contracts, we will take that into consideration.

*Note that once the SPSF advertisement is out, there will be a preselection meeting to answer any questions and determine if there needs to be an adjustment to the advertisement language. Typically a couple weeks after advertisement.*

*If there are any further questions/comments, please contact PSMU at [psmu-411@ncdot.gov](mailto:psmu-411@ncdot.gov)*