

PROJECT ADMINISTRATION BULLETIN No. 01/2006

EXPENDITURE OFFICER AUTHORITY GUIDELINE REVISION

On November 24, 2006, the Deputy Minister of Infrastructure and Transportation approved the following increases to the Expenditure Officer Authority Guidelines:

Description	Authority Level		
	CRC	4	5
Approve Consultant Selection (Including Sole Source)	Over \$75,000	Up to \$75,000	Up to \$30,000
Approve Increase on Contract Originally Approved by Level 4, 5 or 6	Over \$75,000 ¹	Up to \$75,000 ¹	Up to \$30,000 ¹
Approve Increase on Contract Originally Approved by CRC	Over \$75,000 ²	Up to \$75,000 ²	Up to \$30,000 ²

¹ Total contract amount, including increase(s).

² Total cumulative amount of increased only.

As a result, the following sections of the “*Project Administration Manual – September 2006*” are to be amended as follows:

2.4 ROLES AND RESPONSIBILITIES

2.4.1.4 Roles & Responsibilities for Regional and Professional Services (PSS) Staff for Consultant Selection Process

Consultant Selection

- PSS will ensure the results of any required clarification and/or negotiation items are reasonable in terms of scope and fee. PSS will confirm the clarification and/or negotiation items approved in principle at CRC have been included and are within the additional fee estimated. If the clarification and/or negotiation items are higher than the fee approved in principle by CRC, the Region shall provide rationale for the increased fee. If the additional fee is within 10% of the estimated fee or **\$75,000** (whichever is larger), the Executive Director of Program Management Branch has the authority to approve the additional funds. If the additional funds are outside of this limit, CRC must provide approval of the additional funds. PSS will ensure the necessary approvals are obtained.

4.2 SERVICE CONTRACT – PROFESSIONAL/TECHNICAL SERVICES UP TO
\$30,000

4.2.1 DESCRIPTION

The Service Contract – Professional/Technical Services is intended for small and/or short-duration assignments that are valued up to **\$30,000** and have duration of less than 1-year. The assignments are generally clear and simple and the chance of any variation to the work is minimal.

4.4 SOLE SOURCE CONSULTING SERVICES CONTRACT UP TO **\$75,000**

4.5 COMPETITIVE REQUEST FOR PROPOSALS

4.5.1 DESCRIPTION

Utilized on projects with an estimated fee of more than **\$75,000** and on projects requiring specialist skills for the Department regardless of the size of the estimated fees.

4.5.4 APPROVAL

All short-lists must be approved by CRC when the estimated fees will exceed **\$75,000**.

4.6 SOLE SOURCE OVER **\$75,000**

In exceptional circumstances, the Department may sole source a Consultant for assignments over **\$75,000**. In these situations, the approval of the Deputy Minister or the Contract Review Committee is required. The Approval-in-Principle process may also be utilized in these cases. See Section 6.5.2 for details.

4.10 PROCESS FOR OBTAINING A CONTRACT NUMBER FROM CPMS

Both Regional and Central Office users are able to create and amend the up to **\$30,000** Contracts.

5.1 PRE-QUALIFICATION

5.1.1 PRIME CONSULTANT SERVICES

Engineering Consultants who wish to provide prime consultant services on major (over **\$75,000**) Department Highway, Bridge, Functional Planning and Water Management projects must meet Department pre-qualification requirements. Consultants are required to submit details of their firm's staff, capabilities, expertise and experience in the categories of work they wish to be pre-qualified in. A committee of senior Department staff drawn from the Regions, Technical Standards Branch, Program Management Branch and Major Capital Projects evaluate all submissions to determine Consultants meeting requirements for pre-qualification in each category.

5.8 PREPARATION OF CONSULTING SERVICES CONTRACT

A formal legal contract (CE or Consulting Services Contract) is drawn up, for assignments over **\$30,000** that includes the following:

...

For assignments up to **\$30,000**, the standard Service Contract template for Professional/Technical Services for work not exceeding **\$30,000** is used. Refer to Section 4.2.

5.9 CONSULTING SERVICES CONTRACT EXECUTION

3rd Signature

- a) For contracts up to **\$75,000** – Signing authority as per EOAG
- b) For contracts over **\$75,000** – Executive Director of Program Management Branch

6.5 CHANGES TO CONSULTING SERVICES CONTRACT

6.5.1.1 Changes up to **\$75,000** Cumulative Over the Original Upset Fee Limit (on CRC Approved Contracts)

In accordance with the EOAG, the Project Sponsor reviews/negotiates/approves the scope change and sends a letter to the Consultant advising of the scope change approval with a copy to Professional Services Section. Professional Services Section advises Programming and Finance of the approval. In reference to the EOAG, Senior Managers (Construction/Bridge/Infrastructure Managers) have a **\$30,000** limit of approval authority, and Executive/Regional Directors have a **\$75,000** limit.

6.5.1.2 Changes Greater Than **\$75,000** Cumulative Over the Original Upset Fee Limit (on CRC Approved Contracts)

The Project Sponsor reviews/negotiates/recommends approval to Professional Services Section using the Change of Scope Fee Increase template (see Appendices). Professional Services Section reviews and recommends approval to CRC as per the EOAG. The CRC reviews and approves the request. Professional Services Section sends a letter to the Project Sponsor, Programming and Finance advising of the approval. The Project Sponsor sends a letter to the Consultant advising of the approval.

APPENDIX – GUIDELINES FOR SOLE SOURCE CONSULTING SERVICES ASSIGNMENTS (page 155)

All references to \$25,000 limit are amended to \$30,000. All references to \$50,000 limit are amended to \$75,000.

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Expenditure Officer Authority Guideline Revision

In addition, the following attachments in the appendix have been amended and are listed below:

Document Title	Page
Service Contract – Professional/Technical Services (For work not exceeding \$30,000)	199

IMPLEMENTATION OF BULLETIN

Implementation of this bulletin is effective immediately for all Department Projects.

CONTACTS

Any questions with regard to this Project Administration Bulletin should be directed to Alberta Infrastructure and Transportation's Professional Services Section (Attention: Allan Donovan, Manager of Consultant Compliance (780) 422-4202)

Recommended:



Ranjit Tharmalingam
Director, Professional Services

Approved:



Tim Hawnt
Executive Director, Program
Management Branch

SERVICE CONTRACT – PROFESSIONAL / TECHNICAL SERVICES

(For work not exceeding \$30,000.00)

CONSULTANT: _____	CONTACT PERSON: _____ .
ADDRESS: _____ .	
☎: (_) _____	Fax: (_) _____ .
DEPT. CONTACT PERSON: _____	LOCATION: _____ .
☎: (_) _____	Fax: (_) _____ .

Description of Work/Services to be provided:

_____ .

_____ .

_____ .

_____ .

_____ .

The Work is considered to be _____ (low or high) hazard work as defined by the Occupational Health and Safety Regulations.

Lump Sum / Upset Fee: \$ _____ (not to exceed \$30,000.00)

LENGTH OF CONTRACT: From: _____ to _____ .

CERTIFICATE OF RECOGNITION (COR) No.: _____ . (Mandatory for high hazard work)

Expiry Date: _____ .

PAYMENT TERMS:

"This is to certify that the services ordered/purchased hereby are being purchased by Alberta Infrastructure and Transportation, which is part of the Alberta Crown or is listed as a tax free Alberta Government agency, and are therefore not subject to the Goods and Services Tax."

CONDITIONS AND SPECIAL PROVISIONS

1. The Minister agrees to pay the Consultant for providing the services at the quoted lump sum or at the quoted rates up to the upset fee upon submission of an appropriate invoice and subject always to the approval of the Minister.
2. The Consultant shall hold harmless the Minister, his employees and agents from any and all claims, demands, actions and costs whatsoever, which may arise directly or indirectly out of any act or omission of the Consultant, his employees, agents or sub-Consultants, in the performance of the Work. This hold harmless shall survive this Agreement.
3. The Minister shall not be liable nor responsible for any bodily or personal injury or property damage of an nature whatsoever may that be suffered or sustained by the Consultant, his employees or agents in the performance of this Agreement.
4. All work shall be done in accordance with the applicable sections of Alberta Infrastructure and Transportation's "Engineering Consultant Guidelines for Primary Highway Projects", latest edition, or as directed.
5. Drawings produced under this agreement shall be dated and sealed with the consultant's APEGGA stamp or seal, and the permit stamp. The consultant shall be responsible for all work performed, including work done by sub-consultants.
6. The Consultant shall, at his own expense and without limiting his liabilities herein, insure his operations under a contract of General Liability Insurance, in accordance with the Alberta Insurance Act, in an amount not less than \$2,000,000.00 inclusive per occurrence, insuring against bodily injury, personal injury and property damage including loss of use thereof. Such insurance shall include blanket contractual liability. The Consultant shall maintain automobile liability insurance on all vehicles owned, operated or licensed in the name of the Consultant in an amount not less than \$1,000,000.
7. The Consultant agrees to provide skilled, well trained and experienced employees.

8. The Consultant shall possess a Certificate of Recognition (COR) which is relevant to their industry and which is recognized by Alberta Human Resources and Employment, Workplace Health and Safety. The small employers certificate of recognition (for employers with less than ten employees) is not considered acceptable.
9. The Consultant shall familiarize himself, his staff and his subconsultants with the terms of the Occupational Health and Safety Act and Regulations thereunder to ensure complete understanding respecting the responsibilities given and compliance required. The Consultant acknowledges that he is and assumes all of the responsibilities and duties of, the Prime Contractor as defined by the Occupational Health and Safety Act, and that he shall, as a condition of the Contract, comply with the Occupational Health and Safety Act and the regulations thereunder.
10. The Consultant is designated the Prime Contractor for the Work. As Prime Contractor, the Consultant shall, to the extent required by the Occupational Health and Safety Act, establish and maintain a Health and Safety system or process to ensure compliance to the Act by his subconsultants/owner operators.
11. The Consultant shall maintain Workers' Compensation Insurance in the amount required by the Workers' Compensation Board. In the event the Consultant is performing work as defined in the Occupational Health and Safety Regulations and the Consultant is a proprietor or performs an exempt activity as defined by the Workers' Compensation Board, then the Consultant shall hold and maintain Workers' Compensation Insurance personal coverage throughout the length of this Agreement.
12. If for any reason the Consultant fails to provide services satisfactorily to Alberta Infrastructure and Transportation, or comply with the conditions and special provisions of this Agreement, the Agreement may be terminated by the Minister or his representative upon providing written notice to the Consultant.
13. As required by the Conflicts of Interest Act (Alberta) no member of the legislative assembly or person directly associated with a member, as defined in the Act, shall enter into this Agreement.
14. All information, records, data and documents collected or generated by the Consultant under this Agreement is the property of the Minister and is subject to the Freedom of Information Protection and Privacy Act as well as other regulatory requirements governing the management of Personal Information.
15. The Consultant shall treat all information as confidential during as well as after termination of the Agreement unless the Minister gives express written permission otherwise. The Consultant shall not permit the use of any information for any purpose without prior written permission of the Minister.
16. The Consultant warrants that it has not pecuniary or other interest that would cause or appear to cause a conflict of interest in carrying out the Consultant's obligations to the Minister. Should such an interest be acquired, the Consultant shall declare it immediately to the Minister. The Minister will upon receipt of the declaration take whatever action the Minister deems appropriate.

Special Note for Work identified as "High Hazard" under the OH&S Regulations:

- If Consultant does not possess a valid Certificate of Recognition (COR) that is both relevant to the Work being performed, and recognized by Alberta Human Resources and Employment, Workplace Health and Safety, the Service Agreement may only be approved by Regional Director / Executive Director or higher Expenditure Officer.

I/We understand and Agree to the Terms & Conditions, which form part of this agreement.

Consultant: _____ Name(printed): _____ .

Date: _____ .

To be Completed by an Expenditure Officer with Alberta Infrastructure and Transportation

This Agreement is hereby accepted and approved on behalf of Alberta Infrastructure and Transportation

Expenditure Officer: _____ Name (printed): _____ .

Date: _____ Job Number: _____ .
(if applicable)

Account Code: _____ Program Code: _____ Org Code: _____ .
(if applicable) mandatory mandatory

c.c.: Professional Services Section