

December 7, 2016

Gregory Balicki, PE Water and Wastewater Engineering Division Broward County Water and Wastewater Services 2555 West Copans Road Pompano Beach, FL 33069

Re: Response to Request for Multiplier Justification - Consultant Engineering Services for Reclaimed Water Transmission, R1372004P1

Dear Mr. Balicki:

In response to your request for a justification letter for our negotiated multiplier, we offer our previously submitted "Response to Request for Multiplier Reduction" letter from January 27, 2014. The intent and specifics of the original letter remain applicable to this particular project. Primarily, this team of design professionals is primed by a firm with a multiplier of 2.86, resulting in a blended multiplier that is anticipated to be less than 3.0.

Please advise if you should need any additional information at this time.

Respectfully,

Hazen and Sawyer

Janeen M. Wietgrefe, PE Senior Associate

Schol Associate

Enclosure

cc: P. MacGregor

J. Thompson

P. Davis



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January 27, 2014

Gregory Balicki, PE Water and Wastewater Engineering Division Broward County Water and wastewater Services 2555 West Copans Road Pompano Beach, Florida 33069

> Response to Request for Multiplier Reduction – Engineering Services for Facilities Improvements | RLI R1007402R

Dear Mr. Balicki:

We respectfully submit that we will not be able to further reduce our multiplier. We are very aware and sensitive to the County's need to perform engineering at the lowest cost to the public and believe Broward has accomplished this. The engineering community, as with other sectors of our economy, has been severely impacted by the economic downturn of recent years. Engineering consulting firms, as a whole, have lowered profit and controlled our overhead costs in spite of rising health care costs, etc. It is our belief that engineering firms have saturated our employees' ability to absorb more of the costs, and hence, cannot reduce our multiplier further.

We will continue to perform our engineering services as efficiently as possible. Through our series of negotiations meetings, we minimized the total cost of our proposed services with BCWWS staff, deleting services that can be provided by County personnel, and utilizing our lower overhead firms (both CBE and non-CBE) when appropriate. As a result, our effective blended multiplier for this particular project is anticipated to be less than 3.0.

We would also like to note that Broward County does an excellent job of directing engineering work to the type of engineer best able to accomplish such at the lowest overhead. For example, linear engineering, such as transportation, is performed by transportation companies which typically have a lower overhead (due to the relative homogeneity of the engineering service provided). Land development work is similarly directed to general civil firms; again which typically have a lower multiplier.

Maintaining a water and wastewater specialty service firm, with a mix of specialty engineers, scientists, and economists, inherently results in higher overhead costs compared to a general civil or mechanical or electrical firm. However, the benefits to the County of having such a specialized firm complete work of the technical nature needed for these critical projects at your water and wastewater facilities justifies the need for these types of firms to continue working as prime consultants on certain projects for BCWWS.

Please let us know if you need any additional information at this time.

Respectfully,

HAZEN AND SAWYER, P.C.

Janeen M. Wietgrefe, PE Senior Associate

c. P. Davis D. Smith

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