



COLORADO
Department of Transportation

Contracts and Market Analysis Branch
Headquarters, 4th Floor
4201 East Arkansas Ave.
Denver, Colorado 80222

September 7, 2016

TO: CDOT Project Engineers
TO: Engineering Consultants
FROM: John A. Eddy, PE
Branch Manager

RE: Appendix J - Consultant Pay Raise Gap Reimbursement Process

Effective Sept. 1, 2016, the Engineering Contracts Program is implementing the use of an “Appendix J Process” which will reimburse consultants for gaps in salary rates resulting from pay raises (and ultimately costs incurred) that went into effect prior to the renewal of their respective Master Pricing Agreement. This is an interim process to address qualified situations dating back as far as January 1, 2016. Future and more streamlined processes are under evaluation but there was an urgent need to address the current calendar year before Task Orders begin to expire.

A few very important notes about the Appendix J Process:

- 1) This is an optional process. Any consultant (prime or subconsultant) may utilize this process to capture reimbursement of pay rate differential incurred on a Task Orders/Contracts between January 1, 2016 and the renewal date of an MPA.
- 2) Reimbursement may only be obtained IF funds are available within OPEN Task Orders/Contracts. NO amendments to Task Orders/Contracts will be allowed to accommodate this process. Closed Task Orders/Contracts will NOT be opened to accommodate this process.
- 3) The Consultant remains obligated to complete the contracted work at a cost not to exceed the contract limits reflected in the Project Cost Worksheet, even if some or all of the remaining funds are utilized for the Appendix J process.
- 4) The process steps are outlined in the Appendix J Procedures Manual, embedded further below, with the following exceptions:
 - a. For eligible work performed during CY 2016, the Division of Audit and Engineering Contracts Program will perform all of the document review steps to minimize immediate burdens on the project personnel.

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- b. The Appendix J will be completed by the consultant and submitted to the Division of Audit and Engineering Contracts for review and authorization to invoice. Invoicing (with accompanying supporting documents) will occur between the consultant and project engineer, as usual.
- c. The CDOT Project Engineer administering the Task Order/Contract will be responsible for ensuring the requested funds are available and submittal of the invoice to the Region Business for payment.

For Consultant Representatives: We are in the process of finalizing details for three short “training” sessions (need not attend more than one). Confirmed dates are Wednesday, Sept. 21 (1-3pm), 28 (1-3pm) and Oct. 5 (1-3p). Location is the Denver Metro Small Business Development Center (SBDC). One of these sessions (TBD) will be also instructed as a webinar. More information will be made available within the next week.

For CDOT Project Engineers and TO/Contract administrators: Training for processes applicable to eligible work in CY 2017 will be made available later in the fall, if needed.

Appendix J Procedures Manual

NOTE: This Appendix J Procedures Manual is subject to change. The most current version will be maintained on the CDOT Consultant webpage.

Any questions may be directed to Kyle Dilbert, Engineering Contracts Program Manager.

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